



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

January 9, 2024

Ms. A. Shonta Dunston, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-430

Re: Docket No. W-1333, Sub 5 – Application for Certificate of Public Convenience and Necessity and for Approval of Rates to Provide Water & Sewer Utility Services in Carolina Village Mobile Home Park in Currituck County

Dear Ms. Dunston:

On August 16, 2023, Currituck Water and Sewer, LLC (Currituck) filed an Application for a Certificate of Public Convenience and Necessity and for Approval of Rates (Application) to provide water and sewer utility services to Carolina Village Mobile Home Park (Carolina Village) in Currituck County, North Carolina in accordance with N.C. Gen. Stat. § 62-110. On September 8, 2023, the Public Staff filed a letter outlining the deficiencies in the Application and indicating that the Public Staff considers the Application incomplete. On September 20, 2023, Currituck filed an amended application in response to the Public Staff's letter outlining deficiencies. On October 5, 2023, the Public Staff filed a second letter outlining the deficiencies in the Application and indicating that the Public Staff continues to consider the Application incomplete. On October 6, 2023, the Commission issued an Order Finding Application Incomplete and Request for Additional Information. On November 14, 2023, Currituck filed a second amended application and confidential exhibit (Updated Application). Currituck did not serve the Public Staff and the Public Staff filed a letter advising the Commission of the same on December 1, 2023. On December 5, 2023, the Commission issued a Second Order Finding Application Incomplete and Request for Additional Information. Currituck served the Public Staff the files labeled Amended Application and Exhibit – Carolina Village-Confidential on December 5, 2023, and December 13, 2023, respectively. On December 15, 2023, the Public Staff filed a letter with the Commission indicating that this docket now includes all the information required for a complete application.

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On December 20, 2023, the Commission issued an Order Finding Application Complete and Requiring Public Staff to Provide Specific Application Data. On December 28, 2023, the Public Staff filed a Motion for Extension of Time seeking a 10 day extension to provide the information requested. On December 29, 2023, the Commission issued an Order Granting Extension of Time extending the deadline for the Public Staff to submit the information in the five enumerated paragraphs below to January 9, 2024. In response thereto, the Public Staff provides as follows:

1. The number and type of customers to be served by Currituck:

Currituck expects to provide service to 124 residential mobile home customers.

2. The rates currently being charged to customers, including the docket number, if applicable, in which the current rates were approved by the Commission and the effective date for the current rates:

Residents in Carolina Village are not currently being charged for water or sewer service. The system is not regulated by the Commission. As a result, there are currently no Commission approved rates or corresponding docket numbers.

3. The proposed rates Currituck seeks to charge if the Commission approves the issuance of a CPCN to Currituck for the provision of water and sewer utility service to the Carolina Village subdivision in Currituck County, North Carolina:

Currituck proposes to charge the rates shown in the table below.

Flat Rate Residential Water Service	\$31.40 per REU/ \$20.94 per mobile home
Flat Rate Residential Sewer Service	\$52.60 per REU/\$35.08 per mobile home
Metered Residential Water Service	<u>Base charge:</u> \$31.40 per REU/\$20.94 per mobile home <u>Usage charge:</u> \$6.90 per 1,000 gallons
Metered Residential Sewer Service	<u>Base charge:</u> \$52.60 per REU/\$35.08 per mobile home <u>Usage charge:</u> None

4. If an increase in rates is proposed, provide the impact on the average monthly residential water and sewer bill under the proposed rates compared to current

rates. For metered rates, indicate the average monthly usage used in your calculations.

Type of Rate	Average Monthly Bill at Current Rates	Average Monthly Bill at Proposed Rates
Flat Rate Residential Water Service	\$0	\$31.40 per REU/ \$20.94 per mobile home
Flat Rate Residential Sewer Service	\$0	\$52.60 per REU/\$35.08 per mobile home
Metered Residential Water Service	\$0	\$48.65 per REU/\$38.19 per mobile home  (based on an average monthly usage of 2,500 gallons per month as provided in Updated Application, page 4, line 38 and Currituck’s response to Public Staff Data Request No. 3, Question 7.)
Metered Residential Sewer Service	\$0	\$52.60 per REU/\$35.08 per mobile home

- Briefly summarize any pertinent points from the application such as a description of any planned capital improvements, the related dollar amounts, the estimated total impact on annual revenue requirement, and the estimated impact on the average monthly residential sewer bill.

The planned capital improvements are provided in Exhibit 6 of the Updated Application.

The major planned improvements for the water system during the five year period immediately following issuance of the requested certificate of public convenience and necessity (CPCN) include (1) removal of the existing well house and construction of a new well house, (2) installation of Supervisory Control and Data Acquisition (SCADA) system hardware and software integration, (3) meter installation and software integration, and (4) water main removal and replacement. The estimated cumulative total for the capital improvements planned

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for the water system for the first five years is \$278,470, which results in an annual revenue requirement of \$33,809 and a monthly water bill impact of \$22.72 per customer for a period of 25 years. Most of the improvements are planned for the first year following acquisition.

The major planned improvements for the sewer system during the five year period immediately following issuance of the requested CPCN are (1) refurbishment and modification of the wastewater treatment plant, (2) collection system main replacements, and (3) lift station refurbishments. The estimated cumulative total for the capital improvements planned for the wastewater system for the first five years is \$926,961, which results in an annual revenue requirement of \$112,542 and a monthly wastewater bill impact of \$75.63 per customer for a period of 25 years. Most of the improvements are planned for the first year following acquisition.

Note that the water and sewer system planned capital improvement annual revenue estimates and rate impacts provided above, may change from the above amounts as the Public Staff performs additional investigation into the proposed improvements and their useful lives.

If you have any questions, please do not hesitate to contact me.

Sincerely,  
Electronically submitted  
/s/ Reita D. Coxton  
Staff Attorney  
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