ATTACHMENT A

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1146, SUB 11 DOCKET NO. M-100, SUB 138

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. W-1146, SUB 11)
In the Matter of Total Environmental Solutions, Inc. Tariff Filing to Reflect House Bill 998)))
DOCKET NO. M-100, SUB 138) ORDER APPROVING TARIFF) REVISION AND REQUIRING) CUSTOMER NOTICE
In the Matter of Implementation of House Bill 998 – An Act to Simplify the North Carolina Tax Structure and to)))
Reduce Individual and Business Tax Rates	·)

BY THE COMMISSION: Pursuant to Section 2.4.(a) of Session Law 2015-6 (House Bill (HB) 41), the Commission must adjust the rate for the sale of electricity, piped natural gas, and water and wastewater service to reflect all of the tax changes as enacted in Session Law 2013-316 (HB 998). Under G.S. 105-130.3A, as enacted in HB 998, an automatic reduction in the State corporate income tax rate from 5% to 4% became effective for the taxable year beginning on or after January 1, 2016, because certain net General Fund tax collection levels were met for the State's fiscal year 2014-2015.

On November 19, 2015, the Commission issued its Order Requiring Revised Tariff Filings and Requesting Review by the Public Staff – North Carolina Utilities Commission (Public Staff). In the Order, the Commission concluded, among other things, that water and wastewater public utilities must adjust their rates, effective for the taxable year beginning on or after January 1, 2016, to reflect the reduction from 5% to 4% in the State corporate income tax rate. Therefore, the Commission required, among other things, that all water and wastewater public utilities file revised tariffs by no later than December 21, 2015, reflecting the new rates at the 4% State corporate income tax rate. The Commission concluded that such tariff filings were provisionally approved effective beginning on January 1, 2016 pending review by the Public Staff and final approval by the Commission.

On December 8, 2015, Total Environmental Solutions, Inc. (Total Environmental Solutions or the Company) filed its revised tariff. On December 9, 2015, the Public Staff filed a letter stating that it had reviewed the Company's revised tariff, believes it complies with the Commission's Order, and recommended approval.

Based on the record of evidence in these dockets, the Commission finds it appropriate to approve Total Environmental Solutions, Inc.'s December 8, 2015 tariff filing, effective January 1, 2016. The Company is required to provide a customer notice, as attached, and file a verification that it has adjusted its rates accordingly.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the Schedule of Rates, attached as Appendix A, is approved and is deemed filed with the Commission pursuant to G.S. 62-138. This Schedule of Rates was effective for bills rendered on and after January 1, 2016.
- 2. That a copy of the Notice to Customers attached as Appendix B be mailed with sufficient postage or hand delivered by the Company to all of its customers contemporaneously with the next billing of customers.
- 3. That the Company shall file with the Commission the attached Verification properly signed and notarized not later than thirty (30) days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 16th day of May, 2016.

NORTH CAROLINA UTILITIES COMMISSION

Paige S. morvis

Paige J. Morris, Deputy Clerk

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SCHEDULE OF RATES

for

TOTAL ENVIRONMENTAL SOLUTIONS, INC.

for providing water and sewer utility service in

LAKE ROYALE SUBDIVISION

Franklin and Nash Counties, North Carolina

Monthly Metered Water Rates:

Base Charge, zero usage	\$ 29.06
Usage Charge, per 1,000 gallons	\$ 6.03

Monthly Metered Sewer Rates (based upon metered water usage):

Base Charge, zero usage

<1" meter	\$164.50
1" meter	\$246.75
2" meter	\$411.25

Usage Charge, per 1,000 gallons \$ 49.03

Water Availability Rate: ½ \$ 22.97 per year

Connection Charge:

Water \$300.00

Sewer Actual cost of connection 2/

Reconnection Charges:

If water service cut off by utility for good cause 3/	\$ 14.36
If water service discontinued at customer's request $\frac{3l}{2}$	\$ 14.36

If sewer service is disconnected by utility for good

cause by disconnecting water 4/ None

If sewer service disconnected by utility for good

cause by any method other than noted above $\frac{4/}{}$ Actual Cost

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Bills Due: On billing date

Bills Past Due: 25 days after billing date

Billing Frequency:

Water and Sewer Rates Shall be monthly for service in arrears

Availability Rates Shall be annually

<u>Finance Charge for Late Payment:</u> 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

billing date.

All availability charges accrued to a lot with no service connection after January 1, 2001, will be satisfied before an application for service to the lot will be accepted by Total Environmental Solutions, Inc. Regardless of customer status, a lot with no service connection will accrue the applicable annual fee for availability of service.

- ² Including all materials, labor, site and roadway restoration, and inspection costs.
- 2/ Customers who ask to be reconnected within nine months of disconnection will be charged \$18.39 per month for the service periods they were disconnected.
- If service is disconnected at the customer's request and reinstated less than nine months from the date of disconnection, the customer will be responsible for all monthly customer base charges that have been applicable during that period. Those charges, including any disconnect and reconnect fees, are due and payable before service is restored.

APPENDIX B

NOTICE TO CUSTOMERS

Notice is hereby given that the North Carolina Utilities Commission has approved a rate decrease for Total Environmental Solutions, Inc. to reflect a tax change enacted by the North Carolina General Assembly. Under House Bill 998, an Act to Simplify the North Carolina Tax Structure and to Reduce Individual and Business Tax Rates, effective January 1, 2016, the State corporate income tax rate was decreased from 5% to 4%. The Company has decreased its rates by 0.10% for water operations to reflect the decrease in the State corporate income tax rate, effective January 1, 2016.

This the <u>16th</u> day of May, 2016.

NORTH CAROLINA UTILITIES COMMISSION

Paige S. morvis

Paige J. Morris, Deputy Clerk

VERIFICATION

Ι,		, state and attest that Tota	
Environmen	tal Solutions, Inc. has:		
(1)	Adjusted its rates as ordered in Docket No. W-1146, Sub 11, and		
(2)	(2) Mailed with sufficient postage or hand delivered to all affected cu		
	the customer notice iss	sued by the North Carolina Utilities Commission in	
	Docket No. W-1146, Su	b 11, by the date specified in the Order.	
This	the day of	, 2016.	
	By:		
		Signature	
	-	Name of Utility Company	
Sworn to an	d subscribed before me		
This the	day of	, 2016.	
	Notary Public		
	Printed Name		
My Commis	sion Expires:		