

From: Casselberry, Gina <gina.casselberry@psncuc.nc.gov>
Sent: Wednesday, June 10, 2015 11:04 AM
To: Mount, Gail
Cc: Holt, Gina
Subject: FW: Docket W-354, Sub 344

-----Original Message-----

From: Casselberry, Gina
Sent: Wednesday, June 10, 2015 11:03 AM
To: 'Spencer Sharp'
Subject: RE: Docket W-354, Sub 344

Mr. Sharp

Thank you for your email concerning the request by Carolina Water Service, Inc. of North Carolina (CWSNC or Company) for a rate increase. A copy of your letter and this response will be given to the Chief Clerk of the Commission for inclusion in the official file. The Public Staff is responsible for representing the interests of the using and consuming public in utility matters, and we will participate on the public's behalf in this case.

In addition to the notice of the general rate case, CWSNC also recently sent out notices regarding an increase in water and/or sewer rates, for service rendered on and after April 1, 2015, due to its imposition of a rate adjustment mechanism, which is called a Water System Improvement Charge (WSIC) or a Sewer System Improvement Charge (SSIC) for the repair, improvement, and replacement of water and sewer system infrastructure completed between rate cases, when found to be in the public interest. Additionally, the system improvement charges recovered pursuant to the WSIC/SSIC mechanism may not exceed 5% of the total annual service revenues approved by the Commission in the Company's last general rate case.

The WSIC/SSIC mechanism was approved by the Commission in CWSNC's last general rate case in Docket No. W-354, Sub 336, and the actual rate changes were provisionally approved by the Commission by Order dated March 24, 2015 in Docket No. W-354, Sub 336A. As required by Commission rules, the Public Staff conducted an extensive audit of CWSNC's WSIC and SSIC improvement costs including numerous data requests and reviews of paid invoices to determine whether the costs were eligible WSIC or SSIC improvements pursuant to G.S. 62-133.12. The Public Staff also verified that the

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charges that
would be recovered by CWSNC did not exceed 5% of the total annual service revenues
approved by the
Commission in the Company's last rate case proceeding.

In this rate case proceeding, the Public Staff will review the books and records of the Company
and
present its views on the Company's request to the Commission. Although the WSIC/SSIC
charges were
approved, they will once again be reviewed for prudence and reasonableness in CWSNC's
current rate
case proceeding. We will give consideration to your comments as we conduct our investigation.

-----Original Message-----

From: Spencer Sharp [mailto:ssharpjr@triad.rr.com]
Sent: Tuesday, June 09, 2015 3:21 PM
To: Casselberry, Gina
Subject: Docket W-354, Sub 344

Dear Ms. Casselberry,

I am writing to you about the recent mailing I received from Utilities, Inc/Carolina Water Service.
I am
dead set against any proposed increase for sewer rate increase. They just got an increase. Do
they not
know how to control their costs? I am really tired of getting nicked and dined by increases. My
costs
over the year have sky rocketed for just owning a home. Why in the world are they allowed to
have
another increase in a year's time? Enough is enough! Let's put a stop to increases until they can
justify
their actions. I think an increase is justified in a couple years. But now is not the time.

Thanks,

Spencer Sharp

Sent from my iPad

E-mail correspondence to and from this address may be subject to the North Carolina Public
Records
Law and may be disclosed to third parties by an authorized state official.

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