STAFF CONFERENCE AGENDA November 6, 2023 Commission Hearing Room 2115, 10:00 a.m.

WATER AND WASTEWATER

ORDER APPROVING TARIFF REVISION AND REQUIRING CUSTOMER NOTICE

Overhills Water Company, Inc.

 Docket No. W-175, Sub 15 – Verified Petition to Amend Its Tariff to Adjust Rates for Water Utility Service for the Increase Cost of Purchased Water from the Town of Spring Lake in Overhills Park Subdivision and Carolina Sands Mobile Home Park in Cumberland County, North Carolina (Bhatta/Feasel/Holt)

ORDER APPROVING TARIFF REVISION AND REQUIRING CUSTOMER NOTICE

Total Environmental Solutions, Inc.

 Docket No. W-1146, Sub 15 – Verified Petition to Amend Its Tariff to Charge Rates for Water Utility Service for the Increased Cost of Purchased Water From Franklin County in Lake Royale in Franklin and Nash Counties, North Carolina (Houser/Lentz/Jost)

ORDER APPROVING NEW TARIFF

Carolina Water Service, Inc. of North Carolina

 Docket No. W-354, Sub 415 – Verified Request for Approval of Proposed Tariff to Provide Water Utility Service to Individual Customers Located Outside of the Company's Certificated Service Areas (Bhatta/Feasel/Bernier)

The Public Staff recommends approval of the preceding agenda items as described above and reflected in proposed orders provided to the Commission Staff.

DOCKET NO. W-175, SUB 15

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Overhills Water Company, Inc.,)
Post Office Box 766, Spring Lake, North)
Carolina, for Authority to Amend Its Tariff to)
Increase Rates for Water Utility Service in)
Overhills Park Subdivision and Carolina Sands)
Mobile Home Park in Cumberland County,)
North Carolina for the Increased Cost of)
Purchased Water from the Town of Spring)
Lake)

ORDER APPROVING TARIFF REVISION AND REQUIRING CUSTOMER NOTICE

BY THE COMMISSION: On October 9, 2023, Overhills Water Company, Inc. (Overhills), filed a verified petition with the North Carolina Utilities Commission (Commission) pursuant to N.C. Gen. Stat. § 62-133.11 requesting authority to amend its tariff for the purpose of passing along to its approximately 291 residential water customers in Overhills Park Subdivision and its bulk water utility customer, Carolina Sands Mobile Home Park (MHP), in Cumberland County, North Carolina, the increase in cost of purchasing water service from the Town of Spring Lake (Town). Section 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

Effective October 1, 2023, the Town of Spring Lake increased its usage charge for water service by \$0.81 per 1,000 gallons for both Tier I (750,000-2,100,000 gallons) and Tier II (over 2,100,000 gallons), increasing the rate from \$3.10 to \$3.91 per 1,000 gallons for Tier I and from \$3.36 to \$4.17 per 1,000 gallons for Tier II. Overhills requests to increase its usage charge to its water customers in the Overhills Park Subdivision and Carolina Sands MHP service areas for service rendered on and after October 1, 2023, to pass along this increase in the cost of purchasing water service from the Town.

Overhills' current usage rates were put into effect on July 30, 2018, by the Commission's Order Approving Tariff Revision and Requiring Customer Notice in Docket No. W-175, Sub 14. Overhills requests authority to increase its water usage rate from \$3.28 to \$4.09 per 1,000 gallons to reflect the increase in the cost of purchasing water service from the Town. The monthly base facility charge would remain unchanged. Under the new water usage rate, the average residential customer's monthly water bill would increase by \$5.27, from \$44.47 to \$49.74, based upon 6,500 gallons of usage.

The Public Staff – North Carolina Utilities Commission (Public Staff) presented this matter at the Commission's Staff Conference on November 6, 2023. The Public Staff stated that it has reviewed the Town of Spring Lake's rates and Overhills' request and recommends that the Commission approve the tariff revision at the requested rates for service rendered on and after the date of this order and require that Overhills provide customer notice.

Based upon the foregoing, the Commission finds that Overhills should be allowed to pass through the costs associated with the increased purchased water expense.

IT IS, THEREFORE, ORDERED as follows:

- 1. That Overhills Water Company, Inc. is granted a revision to its tariff for water utility service in the Overhills Park Subdivision and Carolina Sands Mobile Home Park service areas in Cumberland County in which it purchases and resells water service from the Town of Spring Lake, as set forth herein;
- 2. That the revised Schedule of Rates, attached hereto as Appendix A, is approved and deemed filed with the Commission pursuant to N.C.G.S. § 62-138. This Schedule of Rates shall become effective for services rendered on and after the date of this Order; and
- 3. That the Notice to Customers, attached hereto as Appendix B, shall be mailed with sufficient postage or hand delivered by Overhills Water Company, Inc. to all its affected customers in the Overhills Park Subdivision and Carolina Sands Mobile Home Park contemporaneously with the next billing of customers, and that Overhills Water Company, Inc. shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than ten days after the date of the next billing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of ______, 2023.

NORTH CAROLINA UTILITIES COMMISSION

APPENDIX A

SCHEDULE OF RATES

for

OVERHILLS WATER COMPANY, INC.

for providing water utility service in

OVERHILLS PARK SUBDIVISION

Cumberland County, North Carolina

Metered Residential Water Utility Service:

Base Charge, zero usage	\$ 23.15
Usage Charge, per 1,000 gallons	\$ 4.09

Bulk Water Utility Service to Carolina Sands MHP:

Base Charge, zero usage	\$64	17.40
Usage Charge, per 1,000 gallons	\$	4.09

Connection Charge: \$150.00 per tap

Reconnection Charge:

If water service cut off by utility for good cause	\$ 14.35
If water service discontinued at customer's request	\$ 14.35

New Account Fee: \$ 1.92

Returned Check Charge: \$ 14.35

Bills Due: On billing date

<u>Bills Past Due</u>: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

<u>Finance Charges 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.

Issued in Accordance with Author	rity Granted by the North C	Carolina Utilities Commission ir
Docket No. W-175, Sub 15 on thi	s the day of	, 2023.

APPENDIX B

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

NOTICE TO CUSTOMERS DOCKET NO. W-175, SUB 15 BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is given that the North Carolina Utilities Commission has granted Overhills Water Company, Inc. (Overhills) an increase in its water usage charge to customers in the Overhills Park Subdivision and to its bulk purchase customer in the Carolina Sands Mobile Home Park (MHP) service areas in Cumberland County, North Carolina.

Overhills filed a verified petition with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to water customers in the Overhills Park Subdivision and Carolina Sands MHP service areas in Cumberland County an increase in the cost of purchasing water service from Town of Spring Lake. Section 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff – North Carolina Utilities Commission reviewed the Overhills' petition and recommended that Overhills be allowed to increase its water usage rate by \$0.81 per 1,000 gallons, increasing the rate from \$3.28 to \$4.09 per 1,000 gallons effective for service rendered on and after the date of this Notice. The monthly base facility charge remains unchanged.

The new water usage rate will increase the average residential monthly bill by \$5.27, from \$44.47 to \$49.74, based on an average usage of 6,500 gallons.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of November, 2023.

NORTH CAROLINA UTILITIES COMMISSION

CERTIFICATE OF SERVICE

Ι,			, mailed with sufficier
postage or	hand delivered t	o all affected	d customers the attached Notice to Customer
issued by t	he North Carolina	Utilities Con	nmission in Docket No. W-175, Sub 15, and th
Notice was	mailed or hand d	elivered by tl	he date specified in the Order.
This	the day of		, 2023.
		D	
		By:	Signature
		-	Name of Utility Company
The	above name	d Applicant	i,
personally	appeared before r	me this day a	nd, being first duly sworn, says that the require
Notice to C	Sustomers was ma	ailed or hand	delivered to all affected customers, as required
by the Con	nmission Order da	ited	in Docket No. W-175, Sub 15.
Witr	ness my hand and	notarial seal	I, this the day of, 2023.
		-	Notary Public
			Notary Public
		-	Printed Name
(SEAL)	My Commissio	n Expires:	Date

DOCKET NO. W-1146, SUB 15

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Total Environmental Solutions,
Inc., for Authority to Amend Its Tariff to
Increase Rates for Water Utility Service for the
Increased Cost of Purchased Water from
Franklin County in Lake Royale Subdivision in
Franklin and Nash Counties, North Carolina

ORDER APPROVING TARIFF REVISION AND REQUIRING CUSTOMER NOTICE

BY THE COMMISSION: On September 28, 2023, Total Environmental Solutions, Inc. (TESI or Company), filed a verified petition with the North Carolina Utilities Commission (Commission) pursuant to N.C. Gen. Stat. § 62-133.11 requesting authority to amend its tariff for the purpose of passing along to its metered water customers in Lake Royale Subdivision in Franklin and Nash Counties an increase in the cost of purchasing water service from Franklin County. Section 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

TESI stated in its petition that, effective in its November billing, Franklin County increased its multi-user charge per connection from \$13.80 per connection to \$15.46 per connection, and its consumption charge from \$7.21 per 1,000 gallons to \$8.08 per 1,000 gallons. TESI requested to increase its base charge by \$3.82 from \$31.83 to \$35.65, and its usage charge by \$0.87 per 1,000 gallons from \$7.21 to \$8.08.

TESI's current water service rates became effective on September 27, 2023, pursuant to the Commission's Order Approving Tariff Revision and Requiring Customer Notice issued in Docket No. W-1146, Sub 14.

The Public Staff – North Carolina Utilities Commission (Public Staff) presented this matter at the Commission's Regular Staff Conference on November 6, 2023. The Public Staff stated that it had reviewed TESI's request and recommended that TESI be allowed to increase its rates as shown below for service rendered on and after the date of this order. The Public Staff further stated that TESI does not object to the Public Staff's recommendation.

Monthly Metered Water Rates:	Present	Recommended
Base Charge, zero usage	\$ 31.83	\$ 33.49
Usage Charge, per 1,000 gallons	\$ 7.21	\$ 8.08

Under the new rates, the average residential customer's monthly water bill will increase by \$4.27, from \$53.46 to \$57.73, based upon 3,000 gallons of usage.

Based upon the foregoing, the Commission finds that TESI should be allowed to pass through the costs associated with the increased purchased water expense.

IT IS, THEREFORE, ORDERED as follows:

- 1. That Total Environmental Solutions, Inc., is granted a revision to Appendix A of its tariff for water utility service in Lake Royale Subdivision in Franklin and Nash Counties in which it purchases and resells water from Franklin County, as set forth herein;
- 2. That the revised Appendix A attached hereto is approved and deemed filed with the Commission pursuant to N.C.G.S. § 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order; and
- 3. That the Notice to Customers attached hereto as Appendix B shall be mailed with sufficient postage or hand delivered by the Company to all its affected customers in Lake Royale Subdivision contemporaneously with the next billing of customers, and that the Company shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than ten days after the date of the next billing.

ISSUED BY ORDER OF THE COMMISSION.

This the day of November, 2023.

NORTH CAROLINA UTILITIES COMMISSION

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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 Utility Service:

Base charge, zero usage \$ 33.49 Usage charge, per 1,000 gallons \$ 8.08

Monthly Metered Sewer Utility Service (based upon metered water utility service):

Base charge, per water meter size:

Less than 1" \$164.50 1" \$246.75 2" \$411.25

Usage charge, per 1,000 gallons \$ 49.03

Water Availability Rate: 1/ \$ 22.95 per year

Connection Charge:

Water \$300.00

Sewer Actual cost of connection 2/

Reconnection Charge:

If water service cut off by utility for good cause: $\frac{3}{2}$ \$ 14.35 If water service discontinued at customer's request: $\frac{3}{2}$ \$ 14.35

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Reconnection Charge (continued):

If sewer service is disconnected by utility for good cause by disconnecting water: 4/

None

If sewer service is disconnected by utility for

good cause by any method other than noted above: 4/

Actual Cost

Bills Due: On billing date

Bills Past Due: 25 days after billing date

<u>Billing Frequency</u>: Shall be monthly for service in arrears

Availability Rate Billing Frequency: Shall be annually

Finance Charge for Late Payment: 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 the availability of service.
- Including all materials, labor, site and roadway restoration, and inspection costs.
- Customers who ask to be reconnected within nine months of disconnection will be charged \$18.37 per month for the service periods that 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.

Issued	in	Αc	cor	dance	with	Authority	Grante	ed k	οу	the	No	orth	Carolina	Utiliti	es
Commi	ssio	n	in	Docke	t No	o. W-1146,	Sub	15,	or	n th	nis	the		day	of
				, 20	23.									-	

APPENDIX B

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

NOTICE TO CUSTOMERS DOCKET NO. W-1146, SUB 15 BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is given that the North Carolina Utilities Commission has granted Total Environmental Solutions, Inc. (TESI), an increase in its water base and usage charges for customers in Lake Royale Subdivision in Franklin and Nash Counties, North Carolina.

TESI filed a verified petition with the Commission pursuant to N.C. Gen. Stat. § 62-133.11 requesting authority to amend its tariff for the purpose of passing along to water customers in Lake Royale Subdivision in Franklin and Nash Counties an increase in the cost of purchasing water service from Franklin County. N.C.G.S. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff reviewed TESI's petition and recommended that TESI be allowed to increase its base charge by \$1.66 from \$31.83 to \$33.49 per month, and its water usage rate by \$0.87 per 1,000 gallons, from \$7.21 to \$8.08 per 1,000 gallons, effective for service rendered on and after the date of this Notice.

The new base charge and water usage rate will increase the average residential monthly water bill by \$4.27, from \$53.46 to \$57.73, based on 3,000 gallons of usage.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of November, 2023.

NORTH CAROLINA UTILITIES COMMISSION

CERTIFICATE OF SERVICE

I, _			, mailed with sufficie
postage o	r hand del	ivered to all affe	cted customers the attached Notice to Custome
issued by	the North (Carolina Utilities (Commission in Docket No. W-1146, Sub 15 and the
Notice was	s mailed o	r hand delivered t	by the date specified in the Order.
This	s the	_ day of	, 2023.
		Rv.	
		Бу.	Signature
			Name of Utility Company
	appeared	before me this da	eant, y and, being first duly sworn, says that the require and delivered to all affected customers, as require
			in Docket No. W-1146, Sub 15.
Witi	ness my h	and and notarial	seal, this the day of, 2023
			Notary Public
			Printed Name
(SEAL)	Му Со	mmission Expires	: Date

DOCKET NO. W-354, SUB 415

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Verified Request for Approval of Proposed Tariff	
by Carolina Water Service, Inc. of North Carolina	j)
to Provide Water Utility Service to Individual	ORDER APPROVING TARIFF
Customers Located Outside of the Company's)
Certificated Service Areas)

BY THE COMMISSION: On October 18, 2023, Carolina Water Service, Inc. of North Carolina (CWSNC or Company) filed a Verified Request seeking approval of a tariff that would authorize CWSNC to provide water utility service to individual customers located outside of the Company's certificated service areas.

In support of the Verified Request, the Company stated that it has received an inquiry from an individual who expresses interest in securing residential water utility service from CWSNC for a home which is under construction in Mooresville, North Carolina, in Iredell County. The property in question is located near a water main owned and operated by CWSNC to serve The Pointe/The Farms/The Harbor service area. This property is not located within CWSNC's service area and is not contiguous thereto. CWSNC further indicated that the property in question is not located within the service territory of any other public utility.

CWSNC stated that it is amenable to serving the potential customer but asserted that it would be unduly burdensome if the Company is required to apply for a Certificate of Public Convenience and Necessity (CPCN) to serve only one customer (or even a small number of new customers). The Company stated that it has provided the potential customer with a price quote to cover the cost of connection, but the individual has, to date, not accepted the quote and has not taken action to cause CWSNC to file a specific connection proposal with the Commission to serve his premises.

CWSNC stated that it is aware that Aqua North Carolina, Inc. has an approved water and sewer tariff provision that applies to requests by individuals for water and/or sewer service outside of that company's franchised service areas. CWSNC requested

¹ Similarly, CWSNC asserted that, in a situation involving contiguity, it would be unduly burdensome if the Company is required to file a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area to serve only one individual (or even a small number of individually connected new customers).

that the Commission authorize the following proposed notice procedure by way of a tariff provision² in order streamline the administrative process of handling these requests for service, which the Company asserted will clearly be limited and few in nature.

More specifically, CWSNC proposed that the Company file future verified notices in this docket at least 30 days before it intends to make the proposed connection. The Company proposed that each notice include an explanation of the circumstances requiring the connection and a map showing the location of the connection in relation to CWSNC's existing main. CWSNC proposed that, if the Public Staff does not object to the connection within the 30-day period, or if the Public Staff provides written notice within that period that it does not object, CWSNC will be authorized to immediately proceed with the connection.

CWSNC further agreed that whenever the Company makes a verified notice filing under the Company's proposed tariff procedure, it will also include, where applicable, a statement which acknowledges the number of prior connections which have been made to the water and/or sewer main then in question. According to the Company, this will afford the Commission and the Public Staff with relevant information bearing upon the issue of whether, at some point, a CPCN or contiguous extension should be required.

Under CWSNC's proposed tariff, the actual cost for such a connection shall include installation of a main extension (if necessary), tap of the main, service line, road bore (if necessary), meter box, meter, backflow preventer (if necessary), and CWSNC's direct labor costs. CWSNC will provide the potential customer with a written cost quote prior to beginning the installation work.

CWSNC further stated that it was authorized to report that the Public Staff has reviewed this filing and supports the relief requested.

CWSNC concluded by requesting that the Commission review and approve the Company's proposed tariff provision, which was attached to its Verified Request as Exhibit A.

The Public Staff presented this matter at the Commission's Regular Staff Conference on November 6, 2023. The Public Staff stated that it had reviewed the filing and recommended approval as filed.

Based on review of the Verified Request and the recommendation of the Public Staff, the Commission finds good cause to approve the proposed tariff.

² CWSNC stated that it has discussed this matter with the Public Staff. The Company initially proposed its preference that this matter not be addressed by way of a tariff provision, but simply a notice procedure for approval by the Commission. The Public Staff stated a preference for a tariff provision and the Company stated that it acceded to that proposed procedure as a matter of compromise with the Public Staff.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the Verified Request is hereby approved; and
- 2. That the tariff, attached hereto as Appendix A, is hereby approved for CWSNC, effective for service rendered on and after the date of this Order.

ISSUED BY OR	DER OF THE C	OMMISSION.
This the	_ day of	, 2023.
		NORTH CAROLINA UTILITIES COMMISSION

Tariff Regarding Connection Fees for Individual Connections to Existing Mains installed Outside Franchised Service Areas

<1" meter Actual Cost of Installation

1" meter or larger 120% of Actual Cost of Making Tap,

Including Setting Meter and Box

Individual connections outside of CWSNC's franchised service areas¹ may be made pursuant to this tariff upon request by a bona fide customer (as defined in NCUC Rules R7-16(a)(1) and R10-12(a)(1)). The customer shall be located either within 100 feet of a CWSNC franchised service area or within 100 feet of an existing CWSNC main. The request may come from no more than two customers located in the same area (requests for more than two connections require an application for a new franchise or a request for approval of a contiguous extension). To connect such a customer, CWSNC shall file a verified notice in Docket No. W-354, Sub 415 at least 30 days before the Company intends to make the proposed connection. Each notice shall include an explanation of the circumstances requiring the tap and an 8.5" x 11" map showing the location of the tap in relation to CWSNC's existing main. If the Public Staff does not object to the tap within the 30-day period, or if the Public Staff provides written notice within that period that it does not object, CWSNC shall be authorized to immediately proceed with the connection.

When CWSNC makes a verified notice filing under this tariff procedure, it shall also include, where applicable, a statement which acknowledges the number of prior connections which have been made to the water and/or sewer main then in question.

The actual cost for such a connection shall include installation of a main extension (if necessary), tap of the main, service line, road bore (if necessary), meter box, meter, backflow preventer (if necessary), and CWSNC's direct labor costs. CWSNC shall provide the potential customer with a written cost quote prior to beginning the installation work.

Issued in Accordance with Authority Granted by the No	
No. W-354, Sub 415, on this the day of	, 2023.
Back to Agenda	

¹ The property in question shall not be located withing the service territory of any other public utility certificated to provide service in that area by the Commission.