

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. W-632, SUB 6

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by John T. Billingsley, et al., )	
149 Penn Road, Reidsville, North )	
Carolina 27320, for Authority to Increase )	MOTION FOR ORDER
Rates for Water Utility Service in )	GRANTING RATE INCREASE
Dogwood Acres in Rockingham County, )	AND REQUIRING CUSTOMER
North Carolina )	NOTICE

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission, by and through its Executive Director, Christopher J. Ayers, and moves that the Commission issue an order granting a rate increase for John T. Billingsley, et al. (Applicant), and requiring customer notice. In support of this motion, the Public Staff respectfully shows unto the Commission:

1. On July 3, 2017, the Applicant filed an application with the Commission seeking authority to increase its rates for water utility service in Dogwood Acres in Rockingham County, North Carolina. By order issued July 24, 2017, the Commission declared the matter to be a general rate case, suspended the proposed rates, and scheduled a hearing for November 28, 2017, subject to cancellation if no significant protests were received subsequent to customer notice.

2. On September 28, 2017, the Applicant filed a certificate of service indicating that customer notice had been given, as required, on or before August 3, 2017. No protests have been received.

3. On October 5, 2017, the Public Staff filed a motion to cancel the previously scheduled hearing. By order issued on October 6, 2017, the Commission canceled the hearing and directed the Applicant to notify its customers of the cancellation.

4. On October 31, 2017, the Applicant filed a certificate of service showing that it had noticed its customers of the hearing's cancellation, as required.

5. On November 16, 2017, the Public Staff filed the affidavits of Lynn Feasel, Staff Accountant with the Public Staff's Accounting Division, and Babette McKemie, Utilities Engineer with the Public Staff's Water, Sewer, and Telecommunications Division. In these affidavits, the Public Staff's witnesses stated that they had investigated the application and had found the Applicant's proposed revenues are not unreasonable and would not be unfair to its customers. The witnesses recommended approval of the proposed rates and they stated that the Applicant is providing adequate service to its customers.

WHEREFORE, the Public Staff prays:

1. That the Commission issue the proposed order, attached hereto as Exhibit A, granting a rate increase to the Applicant for providing water utility service in Dogwood Acres in Rockingham County, North Carolina; and

2. For such other and further relief as the Commission may deem just and proper.

Respectfully submitted, this the 16<sup>th</sup> day of November, 2017.

PUBLIC STAFF  
Christopher J. Ayers  
Executive Director

David T. Drooz  
Chief Counsel

Electronically submitted  
/s/ Elizabeth D. Culpepper  
Elizabeth D. Culpepper  
Staff Attorney

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#### CERTIFICATE OF SERVICE

I do hereby certify that I have this day served a copy of the foregoing upon each of the parties of record in this proceeding or their attorneys of record by emailing them an electronic copy or by causing a paper copy of the same to be hand-delivered or deposited in the United States Mail, postage prepaid, properly addressed to each.

This the 16<sup>th</sup> day of November, 2017.

Electronically submitted  
/s/ Elizabeth D. Culpepper  
Elizabeth D. Culpepper

EXHIBIT A

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. W-632, SUB 6

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of .	
Application by John T. Billingsley, et al., )	
149 Penn Road, Reidsville, North )	PROPOSED ORDER GRANTING
Carolina 27320, for Authority to Increase )	RATE INCREASE AND
Rates for Water Utility Service in )	REQUIRING CUSTOMER
Dogwood Acres in Rockingham County, )	NOTICE
North Carolina )	

BY THE COMMISSION: On July 3, 2017, John T. Billingsley, et al. (Applicant), filed an application with the Commission seeking authority to increase its rates for water utility service in Dogwood Acres in Rockingham County, North Carolina. By order issued July 24, 2017, the Commission declared the matter to be a general rate case, suspended the proposed rates, and scheduled a hearing for November 28, 2017, subject to cancellation if no significant protests were received subsequent to customer notice.

On September 28, 2017, the Applicant filed a certificate of service indicating that customer notice had been given, as required, on or before August 3, 2017. The Commission received no protests in response to the customer notice. On October 5, 2017, the Public Staff filed a motion to cancel the previously scheduled hearing. By order issued on October 6, 2017, the Commission canceled the hearing and directed the Applicant to notify its customers of the cancellation. On

October 31, 2017, the Applicant filed a certificate of service showing that it had noticed its customers of the hearing's cancellation, as required.

On November 16, 2017, the Public Staff filed the affidavits of Lynn Feasel, Staff Accountant with the Public Staff's Accounting Division, and Babette McKemie, Utilities Engineer with the Public Staff's Water, Sewer, and Telecommunications Division.

On November 16, 2017, the Public Staff filed a motion requesting that the Commission approve the rates recommended by the Public Staff. The motion was accompanied by a proposed order.

Based on the foregoing, and the entire record in this matter, the Commission makes the following

#### FINDINGS OF FACT

1. The Applicant is properly before the Commission seeking an increase in its rates and charges for water utility service.
2. The test year established for the use in this proceeding is the 12-month period ending December, 31, 2016.
3. The Applicant provides water utility to 29 residential connections.
4. The Applicant's current and proposed rates are as follows:

	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Residential Rates:</u>		
Base charge, zero usage	\$ 8.51	\$ 17.02
Usage charge, per 1,000 gallons	\$ 1.20	\$ 4.80

5. The appropriate level of total water revenues for use in this proceeding is \$3,422 under the Applicant's present rates and \$7,767 under the proposed rates.

6. Operating revenue deductions exclusive of gross receipts tax, regulatory fee, and income taxes amount to \$7,644.

7. The operating ratio method is the appropriate method for determining the Applicant's revenue requirement for water operations in this proceeding.

8. The Public Staff stated that the Applicant's proposed revenues are not unreasonable and would not be unfair to its customers.

9. The Public Staff recommended approval of the proposed rates and stated that the Applicant is providing adequate service to its customers.

#### CONCLUSIONS

Based upon the entire record in this proceeding, the Commission finds and concludes that the Applicant has sufficiently demonstrated the need to increase its rates for providing water utility service. The Commission, therefore, concludes that the rates proposed by the Applicant and recommended by the Public Staff are just and reasonable and should be approved.

IT IS THEREFORE, ORDERED as follows:

1. That the Applicant is authorized to increase its rates for water utility service in the Dogwood Acres as reflected in the Schedules of Rates attached hereto as Appendix A. These rates shall be effective for service rendered on and after the date of this Order.

2. That the Schedule of Rates attached hereto as Appendix A is hereby approved and deemed filed with the Commission pursuant to G.S. 62-138.

3. That a copy of the Notice to Customers attached hereto as Appendix B shall be mailed or hand delivered to all customers of the Applicant within five (5) days of the date of this Order, and that the Applicant shall submit to the Commission the attached Certificate of Service properly signed and notarized not later than fifteen (15) days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of November, 2017.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

SCHEDULE OF RATES

for

JOHN T. BILLINGSLEY, et al

for providing water utility service in

Dogwood Acres

Rockingham County, North Carolina

Monthly Metered Water Rates:

Base charge, zero usage	\$ 17.02
Usage charge, per 1,000 gallons	\$ 4.80

<u>Tap-on Fee:</u>	None
<u>Reconnection Charge:</u>	\$4.79
<u>Bills Due:</u>	Billing date
<u>Bills Past Due:</u>	15 days after billing date
<u>Bill Frequency:</u>	Monthly for Service in Arrears
<u>Late Charge:</u>	1% per month will be applied to the unpaid balance of all bills still past due 25 days after the billing date.

This the \_\_\_\_ day of November, 2017.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk



STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

NOTICE TO CUSTOMERS  
DOCKET NO. W-632, SUB 6  
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is given that the North Carolina Utilities Commission has issued an Order granting an increase in rates to John T. Billingsley, et al. The Order approved the following rates for water utility service provided on and after the date of this notice.

Monthly Metered Water Rates:

Base charge, zero usage	\$ 17.02
Usage charge, per 1,000 gallons	\$ 4.80

Tap-on Fee: None

Reconnection Charge: \$4.79

Bills Due: Billing date

Bills Past Due: 15 days after billing date

Bill Frequency: Monthly for Service in Arrears

Late Charge: 1% per month will be applied to the unpaid balance of all bills still past due 25 days after the billing date.

This the \_\_\_\_ day of November, 2017.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

CERTIFICATE OF SERVICE

I, \_\_\_\_\_, mailed with sufficient postage or hand delivered to all affected customers the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-632, Sub 6, and the Notice was mailed or hand delivered by the date specified in the Order.

This the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

By: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Utility Company

The above named Applicant, \_\_\_\_\_, personally appeared before me this day and, being first duly sworn, says that the required Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated \_\_\_\_\_ in Docket No. W-632, Sub 6.

Witness my hand and notarial seal, this the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Address

(SEAL) My Commission Expires: \_\_\_\_\_  
Date