

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1226, SUB 3

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Fairfield Water Company,)	
932 Hendersonville Road, Suite 201,)	
Asheville, North Carolina 28803, for)	ORDER REQUIRING
Authority to Increase Rates for Water)	CUSTOMER NOTICE
Utility Service in the Fairfield Water)	
System in Henderson County, North)	
Carolina)	

BY THE CHAIR: On May 24, 2019, Fairfield Water Company (Applicant) filed an application with the Commission seeking authority to increase its rates for water utility service in Fairfield Water System in Henderson County, North Carolina. The Applicant serves approximately 12 water customers (using meters at each of 11 quadrplexes and one meter located at a church). The present water rates were established by Order dated October 29, 2004, in Docket No. W-1226, Sub 0, and modified by Order dated February 13, 2015, in Docket No. W-1226, Sub 2, and Docket No. M-100, Sub 138. This is the Applicant's first general rate increase since the Application for a Certificate of Public Convenience and Necessity to Furnish Water Utility Service in Fairfield Water System in Henderson County, North Carolina was approved by the Commission on October 29, 2004, in Docket No. W-1226, Sub 0.

The Applicant's present and proposed rates are as follows:

<u>Water Utility Service:</u>	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Rates:</u>		
Base Charge, zero usage – Apartment Building	\$ 84.48	\$ 121.32
Base Charge, zero usage – Church	\$ 21.12	\$ 30.33
 Usage Charge, per 1,000 gallons	 \$ 2.16	 \$ 4.76
<u>Other Charges:</u>		
<u>Reconnection</u>		
Cut-off for Cause	\$ 14.40	\$ 15.00
Cut-off Requested	\$ 14.40	\$ 15.00

The proposed rates would increase the average monthly bill for each quadrplex water utility service from \$123.36 to \$207.00, based on 18,000 gallons of usage. The

average monthly bill for the church water utility service would increase from \$23.06 to \$34.61, based on 900 gallons of usage.

On June 17, 2019, the Commission issued an Order Establishing General Rate Case, Suspending Rates, and Requiring Customer Notice (June 17, 2019 Order). The June 17, 2019 Order required the Applicant to provide notice to all customers affected by the proposed new rates no later than 15 days after the date of the June 17, 2019 Order; and that the Applicant submit to the Commission the corresponding Certificate of Service, properly signed and notarized, not later than 30 days after the date of the June 17, 2019 Order. Moreover, the June 17, 2019 Order set the deadline to file a petition to intervene as August 23, 2019, and provided that the Commission could decide this matter on the filings and approve an increase in rates without scheduling a hearing if no significant protests are filed with the Commission by August 23, 2019.

It has come to the attention of the Chair that customer notice was not provided within 15 days of the June 17, 2019 Order, July 2, 2019, nor has customer notice been provided thereafter. The June 17, 2019 Order set the deadline to file a petition to intervene in the general rate case for August 23, 2019, based on the assumption that customers had received notice by July 2, 2019. Since customers did not receive notice by July 2, 2019, as required by the June 17, 2019 Order, there was no meaningful opportunity to file a petition to intervene by August 23, 2019. Thus, the Chair is of the opinion that the date to file a petition to intervene should be extended until October 4, 2019, allowing comparable time to that provided in the June 17, 2019 Order. Likewise, the Chair is of the opinion that a decision on the scheduling of the hearing should be deferred until after October 4, 2019, allowing comparable time to that provided in the June 17, 2019 Order for customers to file with the Commission any protests.

Based upon the foregoing, the Chair finds and concludes that notice of this proceeding should be given to all affected customers; therefore, a new order requiring customer notice should be issued. Further, the Chair finds and concludes that since customers did not receive notice by July 2, 2019, as required by the June 17, 2019 Order, the deadline to file a protest and/or a petition to intervene should be extended to October 4, 2019, and a decision on the scheduling of the hearing should be deferred until after October 4, 2019.

IT IS, THEREFORE, ORDERED as follows:

1. That the notice to customers required by this Order shall communicate to customers that the Commission may decide this matter on the filings and approve rates, without scheduling a hearing if no significant protests are filed with the Commission by October 4, 2019.

2. That, if the Commission decides to schedule a hearing, an officer or representative of the Applicant will be required to appear in person before the Commission at the time and place of the hearing to testify concerning any of the information contained in the application. If the Applicant desires to cross-examine any

witnesses at the hearing, the Applicant shall be represented by legal counsel at the hearing.

3. That the Notice to Customers, attached hereto as Appendix A, shall be mailed with sufficient postage or hand delivered by the Applicant to all customers affected by the proposed new rates; that the Notice to Customers shall be mailed or hand delivered no later than 15 days after 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 30 days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 14th day of August, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, appearing to read "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-1226, SUB 3
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that Fairfield Water Company, 932 Hendersonville Road, Suite 201, Asheville, North Carolina 28803, has filed an application with the North Carolina Utilities Commission on May 24, 2019, for authority to increase rates and charges for water utility service in the Fairfield Water System in Henderson County, North Carolina, as follows:

The Applicant's present and proposed rates are as follows:

<u>Water Utility Service:</u>	<u>Present Rates</u>	<u>Proposed Rates</u>
<u>Monthly Metered Rates:</u>		
Base Charge, zero usage – Apartment Building	\$ 84.48	\$ 121.32
Base Charge, zero usage – Church	\$ 21.12	\$ 30.33
Usage Charge, per 1,000 gallons	\$ 2.16	\$ 4.76
<u>Other Charges:</u>		
Reconnection		
Cut-off for Cause	\$ 14.40	\$ 15.00
Cut-off Requested	\$ 14.40	\$ 15.00

The Commission may consider additional or alternative rate design proposals which were not included in the original application and may order increases or decreases in the rates which differ from those proposed by the Applicant. However, any rate structure considered will not generate more overall revenues than requested.

EFFECT OF RATES

The present water rates have been in effect since the Commission Order dated February 13, 2015, in Docket Nos. W-1226, Sub 2 and M-100, Sub 138.

The proposed rates would increase the average monthly bill for water utility service to each quadraplex by 68%, from \$123.36 to \$207.00, based on 18,000 gallons of usage. The proposed rates would increase the average monthly bill for water utility service to the church by 50%, from \$23.06 to \$34.61, based on 900 gallons of usage.

The Commission may decide this matter on the filings and approve an increase in rates without scheduling a hearing, unless the Commission receives significant protests from customers by October 4, 2019. Correspondence concerning the proposed rate increase, service problems, or any public hearing should be directed to the Public Staff – North Carolina Utilities Commission (Public Staff).

The Public Staff is authorized by statute to represent the consumers in proceedings before the Commission. Written statements to the Public Staff should include the name of the subdivision, contact information, and any information that the writer wishes to be considered by the Public Staff in its investigation of the matter, and these statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300. Written statements can also be faxed to (919) 715-6704 or e-mailed to mike.franklin@psncuc.nc.gov.

The Attorney General is also authorized by statute to represent the consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001.

Written statements are not evidence unless those persons submitting the statements appear at a public hearing and testify concerning the information contained in their written statements.

Persons desiring to present testimony concerning their opinion on this application, or any service problems they may be experiencing, may appear at this public hearing and give such testimony.

Persons desiring to intervene in the matter as formal parties of record should file a motion under North Carolina Utilities Commission Rules R1-6, R1-7, and R1-19 no later than October 4, 2019. Any such motion should be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

The details of the proposed new rates have been filed with the North Carolina Utilities Commission. A copy of the application and all filings in this matter are available for review by the public at the Office of the Chief Clerk, 430 North Salisbury Street, Raleigh, North Carolina. Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net under the docket number of this proceeding (i.e., W-1226 Sub 3).

This the 14th day of August, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Janice H. Fulmore". The signature is written in a cursive style with a large initial "J" and a distinct "F".

Janice H. Fulmore, Deputy 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-1226, Sub 3, and the Notice was mailed or hand delivered by the date specified in the Order.

This the _____ day of _____ 2019.

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-1226, Sub 3.

Witness my hand and notarial seal, this the ____ day of _____ 2019.

Notary Public

Address

(SEAL) My Commission Expires: _____
Date