

## BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

## APPLICATION FOR RATE INCREASE

## INSTRUCTIONS

Notes or explanations placed in the margins of the application are acceptable. If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable" or cross out the section.

## APPLICANT

1. Trade name used for utility business Dry Ridge Properties, LLC
2. Name of owner (if different from trade name) \_\_\_\_\_
3. Business mailing address Box 11  
City and state Barnardville, NC Zip Code 28709
4. Business street address (if different from mailing address) \_\_\_\_\_
5. Business telephone number (828) 332-0894
6. List the counties in which you provide water utility service Buncombe
7. List the counties in which you provide sewer utility service Buncombe

## PROPOSED AND PRESENT RATES

- |                                       | Proposed Rates               | Present Rates                            |
|---------------------------------------|------------------------------|--|
| 8. Metered Residential Service:       |                              |  |
| Water:                                | <u>\$19 per 1000 gallons</u> | <u>\$11.71 base; \$2.88/1000 gallons</u> |
| Sewer:                                | <u>\$10 base; \$5/ccf</u>    | <u>\$11.47 base; \$2.91/1000 gallons</u> |
| 9. Flat Rate Residential Service:     |                              |  |
| Water:                                | _____                        | _____                                    |
| Sewer:                                | _____                        | _____                                    |
| 10. Nonresidential Service (explain): |                              |  |
| Water:                                | _____                        | _____                                    |
| Sewer:                                | _____                        | _____                                    |
| 11. Tap-on fees:                      |                              |  |
| Water:                                | <u>\$100</u>                 | <u>\$0</u>                               |
| Sewer:                                | <u>\$100</u>                 | <u>\$0</u>                               |

## OTHER PROPOSED RATES

12. Finance charge for late payment: 1%  
(NCUC Rule R12-9) specifies not more than one percent (1.0%) per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.)
13. Reconnection charge if water service cut off by utility as specified in NCUC Rule R7-20: \$15
14. Reconnection charge if water service discontinued at customer's request: \$15
15. Reconnection charge if sewer service cut off by utility as specified in NCUC Rule R10-16: \$15
16. Other charges: \_\_\_\_\_
17. What date are the proposed rates to become effective? 5/1/2023
18. How long have the present rates been in effect? Since 2011

## PROPOSED BILLING

19. Frequency of billing shall be (monthly, quarterly, etc.) monthly
20. Billing shall be for service (in advance or arrears) arrears
21. Bills past due 15 days after the billing dates:  
(NCUC Rule R12-9 specifies that bills shall not be past due less than fifteen (15) days after billing date).
22. Will regular billing be by written statement? (yes or no) yes

REVENUES AND EXPENSES

For 12 Months Ended 12/31/2021 (Date)

Revenues	Water	Sewer
1. Residential service (flat rate)	\$	\$
2. Residential service (metered rate)	\$ <u>14,883</u>	\$ <u>15,184</u>
3. Nonresidential service (flat rate)	\$ <u>0</u>	\$ <u>0</u>
4. Nonresidential service (metered rate)	\$ <u>0</u>	\$ <u>0</u>
5. Other revenues (describe in remarks below)	\$ <u>0</u>	\$ <u>0</u>
6. Total Revenues (Lines 1 thru 5)	\$ <u>14,883</u>	\$ <u>15,184</u>
7. Total salaries	\$ <u>2,301</u>	\$ <u>2,449</u>
8. Administrative and office expense (except salaries)	\$ <u>0</u>	\$ <u>0</u>
9. Maintenance and repair expense (except salaries)	\$ <u>19,570</u>	\$ <u>19,965</u>
10. Transportation expenses	\$ <u>0</u>	\$ <u>0</u>
11. Electric power for pumping	\$ <u>2419</u>	\$ <u>2467</u>
12. Chemicals for treatment	\$ <u>594</u>	\$ <u>605</u>
13. Testing fees	\$ <u>1,955</u>	\$ <u>1,995</u>
14. Permit fees	\$ <u>438</u>	\$ <u>447</u>
15. Purchased water/sewer treatment	\$	\$
16. Annual depreciation	\$ <u>2,926</u>	\$ <u>11,042</u>
17. Taxes: State income taxes	\$	\$
18. Federal income taxes	\$	\$
19. Gross receipts (or franchise tax)	\$	\$
20. Property taxes	\$ <u>4,627</u>	\$ <u>4,627</u>
21. Payroll taxes	\$	\$
22. Other taxes	\$	\$
23. Other expenses (describe in remarks below)	\$ <u>559</u>	\$ <u>571</u>
24. Total Expenses (Lines 7 thru 23)	\$ <u>46,950</u>	\$ <u>48,722</u>
25. Net Operating Income (Line 6 minus Line 24)	\$ <u>(32,068)</u>	\$ <u>(33,537)</u>
26. Interest on debt during year	\$ <u>14,515</u>	\$ <u>14,515</u>
27. Net Income (Line 25 minus Line 26)	\$ <u>(46,583)</u>	\$ <u>(48,052)</u>

Remarks

28. <u>Line 23: new Regulatory Fee</u>	
29. _____	
30. _____	
31. _____	
32. _____	

NUMBER OF CUSTOMERS SERVED  
(at end of month)

Month	Water			Sewer		
	Flat Rate Customers	Metered Customers	Gallons Sold to Metered Custs.	Flat Rate Customers	Metered Customers	Gallons Sold to Metered Custs.
33. January		<u>1,238</u>	<u>162,589</u>		<u>1,263</u>	<u>162,589</u>
34. February		<u>1,239</u>	<u>162,729</u>		<u>1,264</u>	<u>162,729</u>
35. March		<u>1,323</u>	<u>173,793</u>		<u>1,349</u>	<u>173,793</u>
36. April		<u>1,262</u>	<u>165,824</u>		<u>1,288</u>	<u>165,824</u>
37. May		<u>1,128</u>	<u>148,138</u>		<u>1,150</u>	<u>148,138</u>
38. June		<u>1,102</u>	<u>148,835</u>		<u>1,125</u>	<u>148,835</u>
39. July		<u>1,026</u>	<u>134,736</u>		<u>1,046</u>	<u>134,736</u>
40. August		<u>1,114</u>	<u>146,802</u>		<u>1,137</u>	<u>146,402</u>
41. September		<u>1,641</u>	<u>215,643</u>		<u>1,674</u>	<u>215,643</u>
42. October		<u>1,367</u>	<u>179,642</u>		<u>1,395</u>	<u>179,642</u>
43. November		<u>1,253</u>	<u>164,856</u>		<u>1,280</u>	<u>164,856</u>
44. December		<u>1,189</u>	<u>156,250</u>		<u>1,213</u>	<u>156,250</u>



ORIGINAL COST OF UTILITY SYSTEM

As of Year Ended 12/31/2021 (Date)

Note: List the total original cost to construct and establish the system, whether or not paid for by the Present Owner.

	Balance at End of Year	
	Water	Sewer
1. Land and rights-of-way	\$	\$ 157,221
2. Structures and site improvement	\$ 10,000	\$ 139,634
3. Wells	\$ 20,000	
4. Pumping equipment	\$ 12,510	
5. Treatment equipment	\$ 21,825	\$ 70,000
6. Storage tanks	\$ 5,000	
7. Mains (excluding service connections)	\$ 34,916	\$ 34,916
8. Service connections	\$ 104,749	
9. Meters (including spare meters)	\$ 23,656	
10. Office furniture and equipment		
11. Transportation equipment		
12. Other utility property in service (describe in remarks below)		
13. Total utility property in service (Lines 1 thru 12)	\$ 232,656	\$ 401,841
14. Less: accumulated depreciation	\$	\$
15. Less: accumulated tap fees and other contributions in aid of construction	\$	\$
16. Less: customer advances	\$	\$
17. Net investment in utility property (Line 13 minus 14, 15, & 16)	\$	\$

	Balance at End of Year	
	Water	Sewer
18. Construction work in progress	\$	\$
19. Property held for future use	\$	\$
20. Other (describe in remarks below)	\$	\$

Remarks

21. \_\_\_\_\_
22. \_\_\_\_\_
23. \_\_\_\_\_
24. \_\_\_\_\_

ANNUAL DEPRECIATION

25. If annual depreciation is claimed using a composite rate for the entire system, show composite rate used:  
 Water: \_\_\_\_\_  
 Sewer: \_\_\_\_\_
26. If annual depreciation is claimed using individual rates for each type of equipment, show rates of depreciation used: \_\_\_\_\_

Type of Equipment	Annual Depreciation Rate	Method Used (Straight Line, etc.)	Amount of Annual Depreciation
		15 yr./150 00	

**CONTRIBUTIONS IN AID OF CONSTRUCTION**  
(Including Tap Fees)

1. Has the utility collected any gross-up on contributions in aid of construction (CIAC), such as contributed plant and tap fees, since the test year of its last rate case? (yes or no) no

**EMPLOYEE SALARIES**  
(Including Owner)

	Name	Duties	Salaries Paid During Year	Hours Worked During Year
2.	<u>Joe David Hall</u>	<u>Contract operator</u>	<u>\$ 14,750</u>	<u>~208</u>
3.	<u>Environmental, Inc.</u>		\$	
4.			\$	

**FINANCIAL INFORMATION**

	Source of Loans (For Utility Purposes)	Interest Rates	Amount Unpaid End of Year
5.	<u>Debit</u>		\$
6.			\$
7.			\$

**OTHER FINANCIAL INFORMATION**

8.	Stocks issued .....	\$
9.	Accumulated (or retained) earnings or losses .....	\$
10.	Cash on hand .....	\$
11.	Accounts receivable .....	\$
12.	Accounts payable .....	\$
13.	Customer deposits on hand .....	\$
14.	Materials and supplies .....	\$
15.	Other investments .....	\$

**FILING INSTRUCTIONS**

16. Seven (7) copies of the application and exhibits shall be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4325. **Twenty-five (25) copies of a Class A or B utility company should be filed.** One of these copies must have original signature. (Applicants must make their copies if desired.) Class A and B utility companies are also required to file a written letter of intent to file a general rate case with the Commission thirty (30) days in advance of filing this application. Furthermore, Class A utility companies should file a NCUC Form W-1 along with this rate increase application form as required in Rule R1-17(12)(d).
17. Enclose a filing fee as required by G. S. §62-300. A Class A company (annual revenues of \$1,000,000 or more) requires a \$500 filing fee. A Class B company (annual revenues between \$200,000 and \$1,000,000) requires a \$250 filing fee. A Class C company (annual revenues less than \$200,000) requires a filing fee of \$100. **MAKE CHECK PAYABLE TO N.C. DEPARTMENT OF COMMERCE/UTILITIES COMMISSION.**

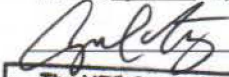
**SIGNATURE**

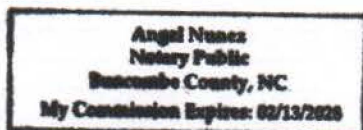
18. Application shall be signed and verified by the Applicant.

  
Signature  
3/18/2023  
Date

19. (Typed or Printed Name) Daniel Arnold  
personally appearing before me and being first duly sworn, says that the information contained in this application and in the exhibits attached hereto are true to the best of his/her knowledge and belief.

This the 18<sup>th</sup> day of March, 2023.

  
Notary Public  
The UPS Store #0264  
825C Merrimon Ave  
Asheville, NC 28804  
Address



My Commission Expires: 02/13/2028  
Date