

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1250, SUB 7

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Saxapahaw Utility Company, Post Office Box 128, Saxapahaw, North Carolina 27340, for Authority to Increase Its Rates and Charges for Water Utility Service in the Village of Saxapahaw in Alamance County, North Carolina)	ORDER ESTABLISHING GENERAL RATE CASE, SUSPENDING RATES, SCHEDULING HEARING, AND REQUIRING CUSTOMER NOTICE

BY THE COMMISSION: Saxapahaw Utility Company (Applicant) filed an application with the Commission on March 14, 2019, seeking authority to increase its rates and charges for water utility service in the Village of Saxapahaw in Alamance County, North Carolina. The Applicant serves approximately 154 metered water customers. The present water rates have been in effect since October 11, 2017, pursuant to the Commission’s Order issued on October 11, 2017, in Docket No. W-1250, Sub 6, the Applicant’s last general rate case proceeding.

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>		
Residential Base Charge, zero usage	\$ 29.72	\$ 32.69
Commercial Base Charge, zero usage		
¾ -inch meter	\$ 29.72	\$ 32.69
1 -inch meter	\$ 74.35	\$ 81.79
1½ -inch meter	\$ 148.67	\$ 163.54
2 -inch meter	\$ 237.87	\$ 261.66
3 -inch meter	\$ 446.01	\$ 490.61
4 -inch meter	\$ 743.34	\$ 817.67
6 -inch meter	\$ 1,486.68	\$ 1,635.35
 Usage Charge, per 1,000 gallons	 \$ 7.10	 \$ 7.81

<u>Other Charges:</u>	<u>Present Rates</u>	<u>Proposed Rates</u>
New Account	\$ 35.48	\$ 39.03
Returned Check	\$ 25.00	\$ 27.50
Reconnect (during work hours)		
Cut-off for Cause	\$ 35.48	\$ 39.03
Cut-off Requested	\$ 35.48	\$ 39.03
Reconnect (after hours, holiday, weekends)	\$ 70.96	\$ 78.06
Late Charge	1% / month	1% / month
Tap-on Fee	None	\$ 500.00

The proposed rates would increase the average monthly bill for residential water utility service from \$58.12 to \$63.93, based on 4,000 gallons of usage.

The Commission is of the opinion that the application constitutes a general rate case, that the proposed new rates should be suspended pending investigation, and that the matter should be scheduled for customer hearing, subject to cancellation if no significant protests are received subsequent to customer notice.

IT IS, THEREFORE, ORDERED as follows:

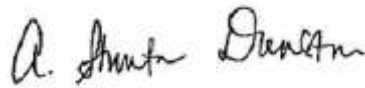
1. That this proceeding is declared a general rate case pursuant to N.C. Gen. Stat. § 62-137;
2. That the proposed new rates are suspended for up to 270 days pursuant to N.C. Gen. Stat. § 62-134;
3. That the test period is established as the 12-month period ended December 31, 2018;
4. That the application is scheduled for public hearing at 7:00 p.m., on Thursday, August 8, 2019, in the Alamance County Historic Courthouse, 1 Court Square, Graham, North Carolina 27253. This hearing may be canceled if no significant protests are received subsequent to public notice;
5. That an officer or representative of the Applicant is 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 this hearing; and

6. That the Notice to Customers, attached 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 30 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 45 days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 5th day of April, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "A. Shonta Dunston". The signature is written in a cursive, flowing style.

A. Shonta Dunston, Deputy Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-1250, SUB 7
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that Saxapahaw Utility Company, Post Office Box 128, Saxapahaw, North Carolina 27340, has filed an application with the North Carolina Utilities Commission (Commission) on March 14, 2019, for authority to increase its rates and charges for water utility service in the Village of Saxapahaw in Alamance County, North Carolina.

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>		
Residential Base Charge, zero usage	\$ 29.72	\$ 32.69
Commercial Base Charge, zero usage		
$\frac{3}{4}$ -inch meter	\$ 29.72	\$ 32.69
1 -inch meter	\$ 74.35	\$ 81.79
1 $\frac{1}{2}$ -inch meter	\$ 148.67	\$ 163.54
2 -inch meter	\$ 237.87	\$ 261.66
3 -inch meter	\$ 446.01	\$ 490.61
4 -inch meter	\$ 743.34	\$ 817.67
6 -inch meter	\$ 1,486.68	\$ 1,635.35
Usage Charge, per 1,000 gallons	\$ 7.10	\$ 7.81
<u>Other Charges:</u>		
New Account	\$ 35.48	\$ 39.03
Returned Check	\$ 25.00	\$ 27.50
Reconnect (during work hours)		
Cut-off for Cause	\$ 35.48	\$ 39.03
Cut-off Requested	\$ 35.48	\$ 39.03
Reconnect (after hours, holiday, weekends)	\$ 70.96	\$ 78.06
Late Charge	1% / month	1% / month
Tap-on Fee	\$ None	\$ 500.00

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's Order issued on October 11, 2017, in Docket No. W-1250, Sub 6. The proposed rates would increase the average monthly bill for residential water utility service by 10% from \$58.12 to \$63.93, based on 4,000 gallons usage.

PUBLIC HEARING

The Commission has scheduled the application for public hearing at 7:00 p.m., on Thursday, August 8, 2019, in the Alamance County Historic Courthouse, 1 Court Square, Graham, North Carolina 27253. This hearing may be canceled and the matter decided on the filings if no significant protests are received from consumers within 60 days of the date of this notice. Correspondence concerning the proposed rate increase, service problems, or the 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 lindsay.darden@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 within 60 days from the date of this notice. 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.

This the 5th day of April, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "A. Shonta Dunston".

A. Shonta Dunston, 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-1250, Sub 7, 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-1250, Sub 7.

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

Notary Public

Typed or Printed Name

(SEAL) My Commission Expires:

Date