

OFFICIAL COPY

November 13, 2017

FAX

Commissioner Edward Findley, Chairman
NORTH CAROLINA UTILITY COMMISSION

Dear Commissioner Findley:

I am writing you this letter in regard to the recent NCUC decision on the rate case put forward by NCCWS (Docket W-354, Sub 356). This rate case proposed significant rate increases for water and sewer service across many areas of North Carolina. In my particular area, Fairfield Mountains the proposed water rate would amount to a 21% increase.

As testified at the Asheville hearing, this increase follows many increases over the past 10 years amounting to 90+% increases since 2007. The consumer price index over the same interval is +18%.

In several local hearings held over past months by the NCUC, numerous consumers testified in opposition to these increases!

Following these hearings, the public staff and NCCWS negotiated a stipulation making only minor adjustments to the proposed excessive increases. At this point, it is appropriate to note that I believe statute mandates a rate of return for such utilities. This mandate is highly inappropriate in this current economic environment and the NCUC should take the lead in making the legislature aware of needed change. To guarantee a specific rate of return in any business fosters no productivity gains, economies of operations etc. I would also point out that the water companies in the affected areas are monopolies where customers have no other choice.

Following this background, the NCUC approved the stipulation agreed by the public staff on September 20, 2017. In my particular service area, the approved rates increase our rates by +16%, again very unacceptable following the previous excessive increases. I would also note and more significant that by approving these increases, the NCUC completely ignored the testimony provided by customers at the various hearings! This being the case, why hold the hearings when the customer's input is ignored?

Commissioner Findley, I do not have all the facts/data your Commission has and have indicated my personal views concerning this recent matter. I would be happy to hear your side of the story if you care to provide a response. Here we have a company that is guaranteed a rate of return, has no incentive for increased efficiencies in operations, has multiple service failures, is a monopoly, is currently profitable and still is rewarded with rate increases. As a businessman and customer of NCCWS this is completely unacceptable!

Respectfully,


J.M. Zinsmeister

JMZ/jd

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Chairman, NCUC

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Date: 13 November 2017

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RE: Docket W-354, Sub 356

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● Comments:

Please deliver to Commissioner Findley!!!!

Thank you.....
