### STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-354, SUB 384

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Carolina Water Service,
Inc. of North Carolina, 4944 Parkway
Plaza Boulevard, Suite 375, Charlotte,
North Carolina 28217 for Authority to
Adjust and Increase Rates for Water and Sewer Utility Service in All of Its Service
Areas in North Carolina

ORDER ESTABLISHING
DISCOVERY GUIDELINES,
SCHEDULING HEARINGS, AND
REQUIRING CUSTOMER NOTICE

BY THE CHAIR: On July 2, 2021, Carolina Water Service, Inc. of North Carolina (CWSNC or Company), filed an Application with the Commission seeking authority to increase its rates for providing water and sewer utility service in all of its service areas in North Carolina. CWSNC serves approximately 34,229 water customers and 20,995 sewer customers in 38 counties throughout the State of North Carolina. On July 26, 2021, the Commission issued an order declaring this proceeding to be a general rate case and suspending the proposed new rates for up to 270 days pursuant to N.C. Gen. Stat. § 62-134.

CWSNC's uniform water and sewer rates, Bradfield Farms/Fairfield Harbour/Treasure Cove water rates, and Bradfield Farms/Fairfield Harbour sewer rates have been in effect since March 31, 2020, pursuant to the Commission's order in Docket No. W-354, Sub 364, with the exception of approved tariff revisions to the rates of bulk purchased water and sewer systems.

The present Water and Sewer System Improvement Charges have been in effect for service rendered on and after October 1, 2021, pursuant to the Commission's Order Approving Water and Sewer System Improvement Charges on a Provisional Basis and Requiring Customer Notice issued in Docket No. W-354, Sub 364A, on September 27, 2021.

Pursuant to the provisions in N.C.G.S. § 62-135, CWSNC intends to implement its proposed rates on a temporary, interim basis, subject to refund, effective for service rendered on and after February 1, 2022, assuming that the Commission has not entered a final order by that date. Consistent with the customer notice provisions of N.C.G.S. § 62-135(a), CWSNC further requests that the Notice to Customers include a special provision notifying customers of the Company's intent.

CWSNC requests authorization to change the processing of electronic payments to CWSNC's third-party payment vendor. CWSNC proposes eliminating electronic

payment fees that customers pay directly to its third-party vendor. Instead, electronic payment processing costs will be billed directly to CWSNC and added to the revenue requirement to be recovered in base rates. CWSNC also proposes a Water Efficiency Program that would allow CWSNC to offer efficient water fixture rebates to its customers. CWSNC requests that rebates from this program be recorded in a regulatory asset account, and the results of the program be evaluated during or before a future rate case proceeding.

CWSNC is also proposing to pass through the increased cost of purchased water and sewage treatment to those service areas affected by the suppliers' new water and sewer rates.

Based upon the foregoing and the record in this proceeding, the Chair hereby establishes the procedural schedule, including filing requirements of CWSNC and other parties, and requires public notice.

The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

- 1. Any deposition shall be taken before the deadline for the filing of the Public Staff North Carolina Utilities Commission (Public Staff) and other intervenor testimony. A notice of deposition shall be served on all parties at least seven calendar days prior to the taking of the deposition.
- 2. Any motion for subpoena of a witness to appear at the expert witness hearing shall be filed with the Commission before the deadline for the filing of the Public Staff and other intervenor testimony and shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. N.C.G.S. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena within one business day of the filing of such motion.
- 3. Formal discovery requests related to the general rate case application and the Company's prefiled direct testimony shall be served on the Company by hand delivery, facsimile, or electronic delivery (with the Company's agreement) no later than 14 calendar days prior to the filing of Public Staff and other intervenor testimony. The Company shall have up to ten calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten calendar days prior to the deadline for the filing of Public Staff and other intervenor testimony.
- 4. Formal discovery requests of the Public Staff or other intervenors shall be served by hand delivery, facsimile, or electronic delivery (with the agreement of the receiving party) no later than four calendar days after the filing of that party's testimony. The party served shall have up to three business days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than seven business days after the filing of that party's testimony.

- 5. Formal discovery requests related to prefiled rebuttal testimony shall be served by hand delivery, facsimile, or electronic delivery (with the Company's agreement) no later than two calendar days after the filing of such testimony. The party served shall have five calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than seven business days after the filing of such rebuttal testimony. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery.
- 6. Discovery requests need not be filed with the Commission when served; however, any party filing objections shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two business days to file with the Commission a motion to compel, and the party objecting to discovery shall have one business day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party by hand delivery, facsimile, or electronic delivery (with the agreement of the receiving party) at or before the time of filing with the Commission.
- 7. A party shall not be granted an extension of time to pursue discovery due to that party's late intervention or other delay in initiating discovery.

The Commission urges all parties to work in a cooperative manner to accommodate discovery within the time available. The Commission recognizes that in the past, most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside the guidelines.

Further, the Chair finds good cause to require the Company and all other parties who file exhibits and workpapers that include tables of numbers and calculations to provide the Commission Staff, the Public Staff, and any other party upon request from such party an electronic version of all such exhibits and workpapers, with formulas intact.

In addition, the Commission will require the Company to consult with all other parties and file, no later than Tuesday, November 30, 2021, a list of witnesses to be called at the hearing, the order of witnesses, and the estimated time for cross-examination. If the parties cannot agree, the remaining parties shall, no later than Friday, December 3, 2021, make a filing indicating their points of disagreement with the Company's filing. Finally, the Chair finds that the Application should be scheduled for hearings and that customers should be notified.

#### IT IS, THEREFORE, ORDERED as follows:

1. That public witness hearing on the application of CWSNC shall be, and is hereby, scheduled for Monday, November 1, 2021, and shall be held remotely via Webex. The first session will begin at 1:30 p.m. and end at the earlier of the conclusion of the last witness' testimony or 4:30 p.m. The second session will begin at 6:30 p.m. and end at the earlier of the last witness' testimony or 10:30 p.m. A link to view the hearing will be available at www.ncuc.net. Members of the public that would like to testify must register in advance of the hearing, no later than 5:00 p.m. on Monday, October 25, 2021, either by email at ncucpublichearing@ncuc.net or by calling 919-733-0837. Individuals registering to testify must provide their name, the docket number (W-354, Sub 384), the exact telephone number they will use to participate in the hearing, and the topic of their testimony. Witnesses calling from any number different from the number provided at registration may be delayed or experience other difficulty in providing their testimony;

# Only individuals registered by 5:00 p.m. on Monday, October 25, 2021, will be allowed to testify at the hearings.

- 2. That the public witness hearings will be conducted solely for the purpose of receiving the testimony of public witnesses in accordance with Commission Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearings;
- 3. That the Company is required to file a consolidated report addressing all customer service and service quality complaints expressed at the public hearings by Monday, November 15, 2021. The Public Staff shall and other intervenors may file supplemental, responsive testimony on the subject of the public hearings on or before Wednesday, November 24, 2021. The Company may file a reply responding to new matters addressed in the supplemental testimony filed by the Public Staff or other intervenors on or before Wednesday, December 1, 2021;
- 4. That the hearing will resume in Commission Hearing Room 2115 in Raleigh on Tuesday, December 7, 2021, at 9:30 a.m., and will continue as required for testimony and cross-examination of expert witnesses for the Company, the Public Staff, and other intervenors:
- 5. That the Commission will determine not only the justness and reasonableness of the Company's overall requested changes in rates, but also the appropriate level of rates to be established for each individual rate class:
- 6. That the test period to be used by all parties in this proceeding shall be the 12-month period ending March 31, 2021, with appropriate adjustments;
- 7. That the parties shall comply with the discovery guidelines established herein and shall work in a cooperative manner as to discovery;

- 8. That all parties filing supporting exhibits in Excel format shall provide the Commission Staff electronic versions of the exhibits filed in native Excel format via email at NCUCexhibits@ncuc.net, including all of the supporting tabs and formulas, within three days of the filing of such exhibits; and that CWSNC and all other parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact;
- 9. That, subject to the provisions of N.C.G.S. § 62-133(c) and Commission Rule R1-17, the Company's updates to its expenses for the period ending August 31, 2021, were provided to the Public Staff on or before September 24, 2021 and the Company's full update including to its capital projects for the period ending September 30, 2021 shall be filed with the Commission on or before October 8, 2021. This requirement shall not apply to events that are neither foreseeable nor within the Company's control. This requirement shall not prevent CWSNC from providing evidence showing changes in costs, revenues, or plant in service additions pursuant to N.C.G.S. § 62-133(c), based upon circumstances and events occurring up to the time the hearing is closed;
- 10. That petitions to intervene in this proceeding shall be filed pursuant to Commission Rules R1-5 and R1-19 no later than Friday, November 5, 2021;
- 11. That the direct testimony and exhibits of the Public Staff and other intervenors shall be filed on or before Friday, November 5, 2021, and that the rebuttal testimony and exhibits of CWSNC, if any, shall be filed on or before Monday, November 22, 2021;
- 12. That the Company shall consult with all other parties and file, no later than Tuesday, November 30, 2021, a list of witnesses to be called at the expert witness hearing, the order of witnesses, and each party's estimated time for cross-examination. If the parties cannot agree, the remaining parties shall, no later than Friday, December 3, 2021, make a filing indicating their points of disagreement with the Company's filing; and
- 13. That the applicable Notices to Customers, attached hereto as Appendices A-1 and A-2, shall be mailed with sufficient postage or hand delivered by the Company to the respective customers no later than ten days after the date of this Order; and the Company shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than 15 days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 8th day of October, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

### STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-354, SUB 384

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Carolina Water Service,	)	
Inc. of North Carolina, 4944 Parkway	)	
Plaza Boulevard, Suite 375, Charlotte,	)	NOTICE TO CUSTOMERS IN
North Carolina 28217 for Authority to	)	THE UNIFORM WATER AND
Adjust and Increase Rates for Water and	)	SEWER RATE DIVISION
Sewer Utility Service in All of Its Service	)	
Areas in North Carolina	)	

Notice is hereby given that Carolina Water Service, Inc. of North Carolina (CWSNC or Company), 4944 Parkway Plaza Boulevard, Suite 375, Charlotte, North Carolina, has filed an Application with the North Carolina Utilities Commission for authority to increase rates for water and sewer utility service in all of its service areas in North Carolina.

CWSNC is also proposing to continue to pass through the increased cost of purchased water and sewage treatment to those service areas affected by the suppliers' new water and sewer rates.

In addition, pursuant to the provisions in N.C. Gen. Stat. § 62-135, CWSNC intends to implement its proposed rates on a temporary, interim basis, subject to refund, effective for service rendered on and after February 1, 2022, if the Commission has not entered a final order by that date.

# CWSNC'S PROPOSED ELECTRONIC PAYMENT FEES AND WATER EFFICIENCY PROGRAM

CWSNC requests to change the processing of electronic payments to CWSNC's third-party payment vendor. CWSNC proposes eliminating electronic payment fees that customers pay directly to its third-party vendor. Instead, electronic payment processing costs will be billed directly to CWSNC and added to the revenue requirement to be recovered in base rates. CWSNC also proposes a Water Efficiency Program that would allow CWSNC to offer efficient water fixture rebates for its customers. CWSNC requests that rebates from this program be recorded in a regulatory asset account, and the results of the program be evaluated during or before a future rate case proceeding.

CWSNC's existing and proposed rates are as follows:

## WATER UTILITY SERVICE UNDER UNIFORM RATES

Monthly Metered Water Service: (Residential and Commercial)

Page Facility Charges (76	oro ucado)	<u>Ex</u>	isting	<u>Pr</u>	<u>oposed</u>
1" me	meter eter 2" meter eter eter eter	\$	28.92 72.30 144.60 231.36 433.80 723.00 ,446.00	\$ \$ \$ \$ \$	31.00 77.50 155.00 248.00 465.00 775.00 ,550.00
Usage Charge, per 1,000	gallons	<u>Ex</u>	isting	<u>Pr</u>	<u>oposed</u>
Treated Water		\$	8.27	\$	9.70
Untreated Water (Brandywine Bay I	rrigation Water)	\$	4.23	\$	4.96
Purchased Water f	for Resale		l la a a a Ob		
Service Area	Bulk Provider		Usage Ch 1,000		
Carolina Forest Eastgate & Tanglewood	Montgomery County	\$	Existing 3.19	<u>Pr</u> \$	<u>oposed</u> 3.19
South	Fayetteville PWC			\$	5.64
High Vista Estates	City of Hendersonville	\$ \$ \$ \$	4.72	\$	4.72
Riverbend Estates	Town of Franklin	\$	8.10	\$	8.10
Riverpointe	Charlotte Water	\$	7.07	\$	7.07
Whispering Pines White Oak Plantation/	Town of Southern Pines	<b>Þ</b>	3.52	\$	3.52
Lee Forest	Johnston County	\$	3.02	\$	3.02
Willowbrook	Johnston County	Ψ	5.02	\$	3.02
Winston Plantation	Johnston County	\$	3.02	\$	3.02
Winston Pointe	Johnston County	\$	3.02	\$	3.02
Woodrun	Montgomery County	\$	3.19	\$	3.19
Yorktown	City of Winston-Salem	\$	5.79	\$	5.79
Zemosa Acres	City of Concord	\$ \$ \$ \$ \$ \$ \$	5.52	\$	5.52
Carolina Trace	City of Sanford	\$	2.21	\$	2.21

Monthly Flat Rate Water Service: (per residence or single-family equivalent)	\$ 58.54	\$ 65.23
Availability Rates (semi-annual):		
Applicable only to property owners in Carolina Forest and Woodrun Subdivisions in Montgomery County	\$ 27.15	\$ 27.15
Availability Rates (Monthly):		
Applicable only to property owners in Linville Ridge Subdivision	\$ 13.60	\$ 13.60
Availability Rates (Monthly):		
Applicable only to property owners in Fairfield Sapphire Valley Service Area	\$ 10.05	\$ 10.05
Availability Rates (Monthly):		
Applicable only to property owners in Connestee Falls	\$ 5.30	\$ 5.30

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## **SEWER UTILITY SERVICE UNDER UNIFORM RATES**

## Monthly Metered Sewer Service:

Monthly Metered Sewer Service:					
Base Facility Charges		E	kisting	Dr	<u>oposed</u>
Residential (zero us	Residential (zero usage)		58.91	\$	64.09
Commercial (zero u <1" meter 1" meter 1-1/2" meter 2" meter 3" meter 4" meter 6" meter	isage)	\$ \$1	58.91 147.28 294.55 471.28 883.65 ,472.75 2,945.50	\$ \$ \$ \$1	64.09 160.23 320.45 512.72 961.35 ,602.25 ,204.50
Usage Charge, per 1,000	gallons	\$	4.59	\$	5.77
•	ver Service: ntial and commercial/SFE) gallons based on purchased		41.24 ater	\$	44.87
Service Area	Bulk Provider	<u>E</u> >	<u>kisting</u>	<u>Pr</u>	<u>oposed</u>
Service Area White Oak Plantation/ Lee Forest/Winston Point Kings Grant College Park		<u>E</u> 2 \$ \$ \$ \$	6.45 4.39 7.77	\$ \$	6.45 4.39 7.77
White Oak Plantation/ Lee Forest/Winston Point Kings Grant	Johnston County Two Rivers Utilities Town of Dallas	\$	6.45 4.39	\$ \$	6.45 4.39
White Oak Plantation/ Lee Forest/Winston Point Kings Grant College Park	Johnston County Two Rivers Utilities Town of Dallas	\$ \$ \$	6.45 4.39 7.77	\$ \$	6.45 4.39 7.77
White Oak Plantation/ Lee Forest/Winston Point Kings Grant College Park  Monthly Flat Rate Sewer Service  Multi-residential customers	Johnston County Two Rivers Utilities Town of Dallas  who are served by a rged the flat rate per unit	\$\$\$\$	6.45 4.39 7.77 73.73	\$ \$ \$	6.45 4.39 7.77 84.31
White Oak Plantation/ Lee Forest/Winston Point Kings Grant College Park  Monthly Flat Rate Sewer Service  Multi-residential customers Master meter shall be chain	Johnston County Two Rivers Utilities Town of Dallas  who are served by a rged the flat rate per unit	\$\$\$\$	6.45 4.39 7.77 73.73	\$ \$ \$	6.45 4.39 7.77 84.31
White Oak Plantation/ Lee Forest/Winston Point Kings Grant College Park  Monthly Flat Rate Sewer Service  Multi-residential customers Master meter shall be chain  Mt. Carmel Subdivision Service A	Johnston County Two Rivers Utilities Town of Dallas  who are served by a rged the flat rate per unit	\$\$\$\$\$\$\$\$\$	6.45 4.39 7.77 73.73	\$ \$ \$ \$ \$ \$	6.45 4.39 7.77 84.31

## Regalwood and White Oak Estates Subdivision Service Area:

## Monthly Flat Rate Sewer Service:

	<u>Existing</u>	<u>Proposed</u>
Residential Service	\$ 73.73	\$ 84.31
White Oak High School	\$2,187.33	\$2,283.50
Child Castle Daycare	\$ 280.41	\$ 292.74
Pantry	\$ 153.76	\$ 160.52

# FAIRFIELD MOUNTAIN/APPLE VALLEY (a.k.a. RUMBLING BALD) SERVICE AREA, HIGHLAND SHORES SUBDIVISION AND LAUREL MOUNTAIN ESTATES

## Monthly Sewer Rates:

Residential	<u>E</u>	kisting	<u>Pr</u>	oposed
Collection charge/dwelling unit Treatment charge/dwelling unit Total monthly flat rate/dwelling charge	\$ \$ \$	41.24 90.00 131.24	\$	44.87 <u>90.00</u> 134.87
Commercial and Other				
Minimum monthly collection and treatment charge	\$	131.24	\$	134.87
Monthly collection and treatment charge for Customers who do not take water service (per single family equivalent)	\$	131.24	\$	134.87
Treatment charge per dwelling unit				
Small (less than 2,500 gallons per month) Medium (2,500 to 10,000 gallons per month) Large (over 10,000 gallons per month)	\$ \$ \$	103.00 182.00 286.00	\$	103.00 182.00 286.00
Collection Charge (per 1,000 gallons)	\$	13.93	\$	13.93
The Ridges at Mountain Harbour:				
Monthly Sewer Rates:				
Collection Charge (Residential and Commercial)	\$	41.24	\$	44.87
Treatment Charge (Residential and Commercial) < 1" meter 2" meter	\$ \$	18.42 147.36	\$ \$	16.95 135.60

### Availability Rates (Monthly):

Applicable only to property owners in Fairfield Sapphire

Valley Service Area \$ 10.20 \$ 10.20

#### Availability Rates (Monthly):

Applicable only to property owners in Connestee Falls \$ 5.75 \$ 5.75

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

The proposed and existing rates for purchased water and sewage treatment provided on the Company's Application have been updated to reflect the most recent pass through filings approved by the Commission.

### **EFFECT OF RATES**

Based on the Company's proposed rate increase and its current average consumption for water and sewer in gallons<sup>1</sup>, the average monthly residential bill for customers with meters and the percentage increase under the proposed rates are as follows:

#### **WATER UTILITY SERVICE**

	Average			
Service Area	<u>Usage</u>	<u>Existing</u>	<u>Proposed</u>	<u>Percentage</u>
Uniform Flat Rate		\$58.54	\$65.23	11.43%
Uniform Metered Rate	3,837	\$60.65	\$68.22	12.48%
Carolina Trace	3,837	\$37.40	\$39.48	5.56%
Carolina Forest	3,837	\$41.16	\$43.24	5.05%
High Vista Estates	3,837	\$47.03	\$49.11	4.42%
Riverbend Estates	3,837	\$60.00	\$62.08	3.47%
Riverpointe	3,837	\$56.05	\$58.13	3.71%
Whispering Pines	3,837	\$42.43	\$44.51	4.90%
White Oak/Lee Forest	3,837	\$40.51	\$42.59	5.13%
Winston Plantation	3,837	\$40.51	\$42.59	5.13%
Winston Pointe	3,837	\$40.51	\$42.59	5.13%
Woodrun	3,837	\$41.16	\$43.24	5.05%
Yorktown	3,837	\$51.14	\$53.22	4.07%
Zemosa Acres	3,837	\$50.10	\$52.18	4.15%

<sup>&</sup>lt;sup>1</sup> Average consumption provided by CWSNC in Appendix 1 of Application for a General Increase in Rates, Docket No. W-354, Sub 384.

#### **SEWER UTILITY SERVICE**

Service Area	<u>Usage</u>	<u>Existing</u>	<b>Proposed</b>	<u>Percentage</u>
Uniform Flat Rate		\$ 73.73	\$ 84.31	14.35%
Uniform Metered Sewer	3,505	\$ 75.00	\$ 84.31	12.42%
White Oak Plantation/Lee				
Forest/Winston Point	3,505	\$ 63.85	\$ 67.48	5.69%
Kings Grant	3,505	\$ 56.63	\$ 60.26	6.41%
College Park	3,505	\$ 68.47	\$ 72.10	5.30%
Mt. Carmel	3,505	\$ 71.55	\$ 75.18	5.07%
Fairfield Mountain	3,505	\$131.24	\$134.87	2.77%
The Ridges		\$ 59.66	\$ 61.82	3.62%

#### **PUBLIC HEARINGS**

The Commission has scheduled the Application for public hearings as follows:

Remote hearing via Webex: on Monday, November 1, 2021. The first session will begin at 1:30 p.m. and end at the earlier of the conclusion of the last witness' testimony or 4:30 p.m. The second session will begin at 6:30 p.m. and end at the earlier of the last witness' testimony or 10:30 p.m. A link to view the hearing will be available at www.ncuc.net. Members of the public that would like to testify must register in advance of the hearing, no later than 5:00 p.m. on Monday, October 25 2021, by email at ncucpublichearing@ncuc.net or by calling 919-733-0837. Individuals registering to testify must provide their name, the docket number (W-354, Sub 384), the exact telephone number they will use to participate in the hearing, and the topic of their testimony. Witnesses calling from any number different from the number provided at registration may be delayed or experience other difficulty in providing their testimony. Only individuals registered by 5:00 p.m. on Monday, October 25, 2021, will be allowed to testify at the hearings. The Commission reserves the right to limit testimony at the public witness hearings.

The hearing scheduled for November 1, 2021, shall be conducted solely for the purpose of receiving customer testimony. The hearing scheduled for December 7, 2021, shall be conducted solely for the purpose of receiving testimony of the Company, the Public Staff, and any other parties of record.

Pursuant to N.C.G.S. § 14-269.4, absent certain specific exceptions, it is unlawful for any person to possess, or carry, whether openly or concealed, any deadly weapon, not used solely for instructional or officially sanctioned ceremonial purposes, in any building housing any court of the General Court of Justice. Therefore, weapons are

strictly prohibited at the hearings scheduled in this docket in the Commission's Hearing Room.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include the customer's name, 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 Ms. Dianna Downey, Chief Counsel, Public Staff-North Carolina Utilities Commission, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300. Written statements can also be faxed to Public Staff Utilities Engineer Lindsay Darden at (919) 715-6704 or emailed to Ms. Darden at lindsay.darden@psncuc.nc.gov.

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

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

Persons desiring to present testimony concerning their opinions on this Application, or on any service problems they may be experiencing, may appear at a 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 Friday, November 5, 2021. These motions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net.

This the 8th day of October, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

a. Short Duncan

### STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-354, SUB 384

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Carolina Water Service, Inc. of North Carolina, 4944 Parkway Plaza Boulevard, Suite 375, Charlotte, North Carolina 28217, for Authority to Adjust and Increase Rates for Water and Sewer Utility Service in All of Its Service Areas in North Carolina.	NOTICE TO CUSTOMERS IN THE BRADFIELD FARMS, FAIRFIELD HARBOUR, TREASURE COVE, AND SILVERTON SERVICE AREAS

Notice is hereby given that Carolina Water Service, Inc. of North Carolina (CWSNC or Company) has filed an Application with the North Carolina Utilities Commission for authority to increase rates for water and sewer utility service in all of its service areas in North Carolina.

CWSNC is also proposing to continue to pass through the increased cost of purchased water and sewage treatment to those service areas affected by the suppliers' new water and sewer rates.

In addition, pursuant to the provisions in N.C. Gen. Stat. § 62-135, CWSNC intends to implement its proposed rates on a temporary, interim basis, subject to refund, effective for service rendered on and after February 1, 2022, if the Commission has not entered a final order by that date.

# CWSNC'S PROPOSED ELECTRONIC PAYMENT FEES AND WATER EFFICIENCY PROGRAM

CWSNC requests to change the processing of electronic payments to CWSNC's third-party payment vendor. CWSNC proposes eliminating electronic payment fees that customers pay directly to its third-party vendor. Instead, electronic payment processing costs will be billed directly to CWSNC and added to the revenue requirement to be recovered in base rates. CWSNC also proposes a Water Efficiency Program that allows CWSNC to offer efficient water fixture rebates for its customers. CWSNC requests that rebates from this program be recorded in a regulatory asset account, and the results of the program will be evaluated during or before a future rate case proceeding.

CWSNC's existing and proposed rates are as follows:

TREASURE COVE, REGISTER PLACE ESTATES, NORTH HILLS, GLEN ARBOR/NORTH BEND SUBDIVISIONS, FAIRFIELD HARBOUR SERVICE AREA, BRADFIELD FARMS SUBDIVISION, LARKHAVEN SUBDIVISION, SILVERTON AND WOODLAND FARMS SUBDIVISION, AND HAWTHORNE AT THE GREEN APARTMENTS

Monthly Metered Water Service: (Residential and Commercial)

	Facility Charges				
(based	d on meter size with zero usage)	<u>E</u>	kisting	<u>Pr</u>	oposed
	< 1" meter 1" meter 1-1/2" meter 2" meter	\$ \$ \$ \$	17.30 43.25 86.50 138.40	\$ \$1	22.10 55.25 10.50 76.80
Usage	e Charge, per 1,000 gallons	\$	4.20	\$	5.61
Availability R	ates (Monthly):				
Applicable of Harbour Se	only to property owners in Fairfield rvice Area	\$	3.55	\$	3.55
Monthly Sew Reside		<u>E</u> 2	kisting	<u>Pr</u>	<u>oposed</u>
Resid					
	Flat Rate, per dwelling unit Bulk Flat Rate, per REU	\$ \$	53.91 53.91		61.75 61.75
Comm	nercial and other				
	Monthly Flat Rate (Customers who do not take water service)	\$	53.91	\$	61.75

(Sustainers inne de not tente			
Monthly Metered Rates (based on meter size with ze	ero usage)		
	<u>E</u> 2	xisting	<u>Proposed</u>
< 1" meter 1" meter 1-1/2" meter 2" meter	\$ \$ \$ \$	44.62 111.55 223.10 356.96	\$ 51.11 \$ 127.77 \$ 255.54 \$ 408.87

Usage charge.	per 1,000 gallons	\$ 2.25	\$ 2.54

### Bulk Sewer Service for Hawthorne at the Green Apartments

Bulk Flat Rate, per REU \$ 53.91 \$ 61.75

#### Availability Rates (Monthly):

Applicable only to property owners in Fairfield

Harbour Service Area \$ 2.85 \$ 2.85

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

The proposed and existing rates for purchased water and sewage treatment provided on the Company's Application have been updated to reflect the most recent pass through filings approved by the Commission.

#### **EFFECT OF RATES**

Based on the Company's proposed rate increase and its current average consumption for water and sewer in gallons<sup>1</sup>, the average monthly residential bill for customers with meters and the percentage increase under the proposed rates are as follows:

#### WATER UTILITY SERVICE

<u>Service Area</u> Fairfield Harbour	<u>Usage</u>	Existing	<u>Proposed</u>	<u>Percentage</u>				
Bradfield Farms, Treasure Cove & Silverton	4,140	\$34.69	\$45.33	30.67%				
SEWER UTILITY SERVICE								
Bradfield Farms/F. Harbou Bulk Sewer (Bradfield Area Hawthorne at the Green		\$ 53.91 \$ 53.91 \$ 53.91	\$ 61.75 \$ 61.75 \$ 61.75	14.54% 14.54% 14.54%				

<sup>&</sup>lt;sup>1</sup> Average consumption provided by CWSNC in Appendix 1 of Application for a General Increase in Rates, Docket No. W-354, Sub 384.

#### **PUBLIC HEARINGS**

The Commission has scheduled the application for public hearings as follows:

Remote hearing via Webex: on Monday, November 1, 2021. The first session will begin at 1:30 p.m. and end at the earlier of the conclusion of the last witness' testimony or 4:30 p.m. The second session will begin at 6:30 p.m. and end at the earlier of the last witness' testimony or 10:30 p.m. A link to view the hearing will be available at www.ncuc.net. Members of the public that would like to testify must register in advance of the hearing, no later than 5:00 p.m. on Monday October 25, 2021, by email at ncucpublichearing@ncuc.net or by calling 919-733-0837. Individuals registering to testify must provide their name, the docket number (W-354, Sub 384), the exact telephone number they will use to participate in the hearing, and the topic of their testimony. Witnesses calling from any number different from the number provided at registration may be delayed or experience other difficulty in providing their testimony. Only individuals registered by 5:00 p.m. on Monday, October 25, 2021, will be allowed to testify at the hearings. The Commission reserves the right to limit testimony at the public witness hearings.

The hearing scheduled for November 1, 2021, shall be conducted solely for the purpose of receiving customer testimony. The hearing scheduled for December 7, 2021, shall be conducted solely for the purpose of receiving testimony of the Company, the Public Staff, and any other parties of record.

Pursuant to N.C.G.S. § 14-269.4, absent certain specific exceptions, it is unlawful for any person to possess, or carry, whether openly or concealed, any deadly weapon, not used solely for instructional or officially sanctioned ceremonial purposes, in any building housing any court of the General Court of Justice. Therefore, weapons are strictly prohibited at the hearings scheduled in this docket in the Commission's Hearing Room.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include the customer's name, 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 Ms. Dianna Downey, Chief Counsel, Public Staff-North Carolina Utilities Commission, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300. Written statements can also be faxed to Public Utilities Engineer 715-6704 Darden Lindsay Darden at (919)or emailed to Ms. lindsay.darden@psncuc.nc.gov.

The Attorney General is also authorized by statute to represent consumers in proceedings before the Commission. Statements/protests to the Attorney General should

be addressed to The Honorable Josh Stein, Attorney General, c/o Utilities Section, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001.

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

Persons desiring to present testimony concerning their opinions on this Application, or on any service problems they may be experiencing, may appear at a 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 Friday, November 5, 2021. These motions should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net.

This the 8th day of October, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

a. Short Dunan

## CERTIFICATE OF SERVICE

Ι,				, mailed	d with s	ufficient	
postage or hand of	delivered to a	II affected c	ustomers the a	ttached Notice	es to Cu	stomers	
issued by the Nort	h Carolina Ut	ilities Comm	ission in Docke	t No. W-354, S	Sub 384,	and the	
Notices were mail	ed or hand de	elivered by t	he date specifie	ed in the Order	r.		
This the	day of	of, 2021.					
		Dv.					
		Ву:		Signature			
			Name of Utility Company				
The abo	ve-named	Applicant,				······································	
personally appear	ed before me	this day and	d, being first dul	y sworn, says	that the i	required	
Notices to Custo	mers were r	nailed or ha	and delivered t	to all affected	l custom	ners, as	
required by the C	ommission C	order dated		in Doc	cket No.	W-354,	
Sub 384.							
Witness my	hand and no	tarial seal, th	nis the day	<i>t</i> of		_, 2021.	
				Notary Public	C		
			Pr	inted or Typed	d Name		
Му	Commission E	Expires:		 Date			