



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

March 9, 2018

M. Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. W-1166, Sub 17

Dear Ms. Jarvis:

Enclosed for filing in the above-referenced docket are the Stipulation of MECO Utilities, Inc., and the Public Staff, and the Public Staff's Motion to Cancel Hearing, amended due to improper pagination.

The Public Staff apologizes for this error and for any inconvenience it may have caused the Commission or the parties.

By copy of this letter, I am forwarding a copy to all parties of record.

Yours very truly,

/s/ William E. Grantmyre
Staff Attorney
william.grantmyre@psncuc.nc.gov

WEG/cla

Enclosure

Executive Director
(919) 733-2435

Communications
(919) 733-2810

Economic Research
(919) 733-2902

Legal
(919) 733-6110

Transportation
(919) 733-7766

Accounting
(919) 733-4279

Consumer Services
(919) 733-9277

Electric
(919) 733-2267

Natural Gas
(919) 733-4326

Water
(919) 733-5610

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. W-1166, SUB 17

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Application by MECO Utilities, Inc., Post Office Box)
2359, Swansboro, North Carolina 28584-2369, for)
Authority to Increase Rates for Water and Sewer) STIPULATION
Utility Service to Mobile Estates Mobile Home Park)
in Wake County, North Carolina)

NOW COMES the Public Staff – North Carolina Utilities Commission (Public Staff) and MECO Utilities, Inc. (MECO) and agree and stipulate as follows.

1. This proceeding commenced with the filing on December 4, 2017, of an Application for Rate Increase by MECO Utilities, Inc. In an order issued on December 18, 2017, the Commission scheduled a public hearing for 7 p.m., on March 22, 2018, in the Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. The hearing was scheduled subject to cancelation if no significant protests were received from consumers on or before February 15, 2018.

2. MECO Utilities, Inc. serves approximately 271 residential customers. By Certificate of Service filed December 21, 2017, MECO Utilities, Inc. stated that the Notice to Customers had been delivered to all affected customers. No consumer protests have been received.

3. The Public Staff has conducted its investigation and believes that an evidentiary hearing is not necessary. The Public Staff has not discovered any service problems. MECO Utilities, Inc. has agreed to the Public Staff recommended revenue requirements and rates.

4. That on March 2, 2018, the Public Staff filed an Affidavit of Calvin Craig, III, Financial Analyst, Public Staff Economic Research Division, in which he recommended the Commission approve for MECO a 7.5% margin on operating expenses.

5. On March 2, 2018, the Public Staff filed the testimonies of Gina Y. Casselberry, Utilities Engineer, Public Staff Water and Sewer Division, and Manasa Cooper, Accountant, Public Staff Accounting Division. Each of these testimonies recommended adjustments to the operating expenses provided by MECO. The Public Staff recommended an annual revenue requirement of

\$122.542 for water utility service and \$179,325 for sewer utility service. The Public Staff's recommended rates are:

	<u>Water</u>	<u>Sewer</u>
Monthly Base Charge Zero Usage	\$14.03	\$10.42
Commodity Charge Per 1,000 gallons	\$ 6.72	\$12.69

6. MECO agrees to accept the Public Staff's recommended annual revenue requirements and Public Staff recommended rates.

7. MECO does not contest any of the Public Staff adjustments, but reserves the right to contest the adjustments, or similar adjustments, in future MECO proceedings including general rate cases.

8. MECO and the Public Staff agree the scheduled March 22, 2018, evidentiary hearing should be cancelled and customer notice given.

9. MECO and the Public Staff agree that the Public Staff will prepare a proposed order, which MECO shall review and agree to prior to filing with the Commission.

10. MECO and the Public Staff request the Commission issue the rate case order as soon as reasonable practical, after the filing of the proposed order, and waive the 15 day period to file exceptions, so that the Commission approved rates will be effective on and after the date of the Commission order.

The foregoing is agreed and stipulated to, this the 8th day of March, 2018.

MECO Utilities, Inc.

By: Benjamin H. Hervey
Benjamin Hervey, Attorney for MECO Utilities, Inc.

Public Staff - North Carolina Utilities Commission

By: William E. Grantmyre
William E. Grantmyre, Staff Attorney

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. W-1166, SUB 17

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by MECO Utilities, Inc., Post Office)
Box 2359, Swansboro, North Carolina 28584-)
2369, for Authority to Increase Rates for Water) MOTION TO CANCEL
and Sewer Utility Service to Mobile Estates) HEARING
Mobile Home Park in Wake County, North)
Carolina)

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission (Public Staff), and moves that the hearing previously scheduled on this matter be canceled. In support of this motion, the Public Staff respectfully shows the Commission:

1. This proceeding commenced with the filing, on December 4, 2017, of an Application for Rate Increase by MECO Utilities, Inc. In an order issued on December 18, 2017, the Commission scheduled a public hearing for 7 p.m., on March 22, 2018, in the Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. The hearing was scheduled subject to cancelation if no significant protests were received from consumers on or before February 15, 2018.

2. MECO Utilities, Inc. serves approximately 271 residential customers. By Certificate of Service filed December 21, 2017, MECO Utilities, Inc. stated that the Notice to Customers had been delivered to all affected customers. No consumer protests have been received.

3. The Public Staff has conducted its investigation and believes that an evidentiary hearing is not necessary. The Public Staff has not discovered any service problems. MECO Utilities, Inc. has agreed to the Public Staff recommended revenue requirements and rates.

WHEREFORE, the Public Staff prays:

1. That the hearing currently scheduled for March 22, 2018, on this matter be canceled;

2. That MECO Utilities, Inc. be ordered to notify its customers of the cancelation of the hearing; and

3. For such other and further relief the Commission may deem just and proper.

Respectfully submitted this the 9th day of March, 2018.

PUBLIC STAFF

Christopher J. Ayers
Executive Director

David T. Drooz
Chief Counsel

Electronically submitted
/s/ William E. Grantmyre
Staff Attorney

4326 Mail Service Center
Raleigh, North Carolina 27699-4300
Telephone: (919) 733-0977
william.grantmyre@psncuc.nc.gov

CERTIFICATE OF SERVICE

I do hereby certify that I have this day served a copy of the foregoing Motion to Cancel Hearing on Benjamin Hervey, attorney for MECO Utilities, Inc., by electronic delivery.

This the 9th day of March, 2018.

Electronically submitted
/s/ William E. Grantmyre