

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

STAFF CONFERENCE AGENDA
July 24, 2023
Commission Hearing Room 2115, 10:00 a.m.

WATER AND WASTEWATER

ORDER APPROVING TARIFF REVISION (Bhatta/Coxton)

DFHC Corporation, Inc.

Docket No. W-1315 Sub 8 – Application for Authority to Amend Its Tariff to Increase Rates for Water Utility Service for the Increased Cost of Purchased Water from the City of Greensboro and Amend Its Tariff to Increase Rates for Wastewater Utility Service for the Increased Cost of Purchased Wastewater from the Town of Jamestown (*Bhatta/Coxton*)

ORDER APPROVING TARIFF REVISION (Bhatta/Coxton)

Old North State Water Company, Inc.

1. Docket No. W-1300 Sub 93 – Application for Authority to Amend Its Tariff to Increase Rates for Water Utility Service for the Increased Cost of Purchased Water from the Town of Stedman (*Bhatta/Coxton*)

ORDER ESTABLISHING GENERAL RATE CASE AND SUSPENDING RATES (Bhatta/Morgan/Culpepper)

Conleys Creek Limited Partnership, LLC

2. Docket No. W-1120 Sub 9– Application for Authority to Adjust and Increase Rates for Water and Sewer Utility Service in Smoky Mountain Country Club Subdivision in Swain County, North Carolina

The Public Staff recommends approval of the preceding agenda items as described above and reflected in proposed orders provided to the Commission Staff.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1315, SUB 8

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by DFHC Corporation, Inc.,)	
2432 Andrews Store Road, Pittsboro, North)	
Carolina 27312, for Authority to Amend Its)	ORDER APPROVING
Tariff to Increase Rates for Water and Sewer)	TARIFF REVISION
Utility Service for the Increased Cost of)	AND REQUIRING
Purchased Water Service from the City of)	CUSTOMER NOTICE
Greensboro and Sewer Service from the)	
Town of Jamestown in Gardner Hill Station in)	
Guilford County, North Carolina)	

BY THE COMMISSION: On June 21, 2023, DFHC Corporation, Inc. (DFHC), filed a verified request with the Commission requesting authority to amend its tariff for the purpose of passing along to its metered water and wastewater customers in Gardner Hill Station in Guilford County an increase in the cost of purchasing water service from the City of Greensboro (City) and sewer service from the Town of Jamestown (Town). N.C. Gen. Stat. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

DFHC stated that, effective July 1, 2023, the City increased its water billing and availability fees charged to DFHC by \$5.72 per month from \$55.80 per month to \$61.52 per month and water usage rate by \$1.18 per 1,000 gallons from \$11.43 per 1,000 gallons (equal to \$8.55 per CCF¹) to \$12.61 per 1,000 gallons (equal to \$9.43 per CCF).

DFHC also stated that effective July 1, 2023, the Town increased its sewer usage rate charged to DFHC by \$1.67 per 1,000 gallons from \$5.68 per 1,000 gallons (equal to \$4.25 per CCF) to \$7.35 per 1,000 gallons (equal to \$5.50 per CCF). DFHC requested to increase the usage charge applicable to these customers for service rendered on or after July 1, 2023, to pass along the increase in the cost of purchasing water from the City and sewer from the Town.

DFHC's current purchased water base charge and usage rate per 1,000 gallons related to its purchased water service from the City and its sewer usage rate per 1,000 gallons related to its purchased sewer service from the Town have been in effect since August 11, 2022, when they were approved by the Commission in its Order Approving

¹ One centum cubic foot (CCF) of water is approximately 748 gallons.

Tariff Revision and Requiring Customer Notice issued in Docket No. W-1315, Sub 7. After accounting for the effect of the 0.14% regulatory fee, DFHC requests authority to increase its water base charge from \$13.97 to \$15.40 and its water usage rate from \$11.45 to \$12.62 per 1,000 gallons to reflect the increase in the cost of purchasing water service from the City. DFHC further requests authority to increase its sewer usage rate from \$5.69 to \$7.37 per 1,000 gallons to reflect the increase in the cost of purchasing sewer service from the Town.

The Public Staff – North Carolina Utilities Commission (Public Staff) presented this matter at the Commission’s Staff Conference on July 24, 2023. The Public Staff stated that it had reviewed the City’s and Town’s rates and DFHC’s request and recommended that the Commission approve the tariff revision at the proposed rates for bills rendered on and after the date of this order and require customer notice.

Based upon the foregoing, the Commission finds that DFHC should be allowed to pass through the costs associated with the increased purchased water and sewer expenses.

IT IS, THEREFORE, ORDERED as follows:

1. That DFHC Corporation, Inc., is granted a revision to Appendix B² of its tariff for water and sewer utility service in Gardner Hill Station in Guilford County, in which it purchases and resells water from the City of Greensboro and sewer from the Town of Jamestown, as set forth herein;
2. That the revised Appendix B² attached hereto is approved and is deemed filed with the Commission pursuant to N.C. Gen. Stat. § 62-138. This Schedule of Rates shall become effective for bills rendered on and after the date of this Order; and
3. That the Notice to Customers, attached hereto as Appendix C, shall be mailed with sufficient postage or hand delivered by DFHC Corporation, Inc. to all its affected customers in Gardner Hill Station contemporaneously with the next billing of customers; and
4. that DFHC Corporation, Inc. shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than ten days after the date of the next billing.

² The Order Granting Franchise, Accepting and Approving Bond, Approving Rates, and Requiring Customer Notice issued in Docket No. W-1315, Sub 0 approved on March 27, 2017, contained three appendices: Appendix A: Certificate of Public Convenience and Necessity; Appendix B: Schedule of Rates; and Appendix C: Notice to Customers. The appendices attached hereto are labeled in the same manner to preserve consistency.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

APPENDIX B

SCHEDULE OF RATES

for

DFHC CORPORATION, INC.for providing water and sewer utility service

in

GARDNER HILL STATION

Guilford County, North Carolina

Monthly Metered Water Rates:

Base Charge, zero usage	\$ 15.40
Usage Charge, per 1,000 gallons	\$ 12.62

Monthly Metered Sewer Rates:

Usage Charge, per 1,000 gallons	\$ 7.37
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<u>Billing Service Charge:</u>	\$ 3.75
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<u>Reconnection Fee:</u>	\$320.25
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<u>New Customer Account Fee:</u>	\$ 15.00
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<u>Returned Check Charge:</u>	\$ 25.00
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<u>Bills Due:</u>	On billing date
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<u>Bills Past Due:</u>	15 days after billing date
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<u>Billing Frequency:</u>	Shall be monthly for service in arrears
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Issued in Accordance with Authority Granted by the North Carolina Utilities Commission
in Docket No. W-1315, Sub 8 on this the ____ day of _____, 2023.

APPENDIX C

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-1315, SUB 8
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is given that the North Carolina Utilities Commission has granted DFHC Corporation, Inc. (DFHC), an increase in its water and sewer rates charged to customers in Gardner Hill Station in Guilford County, North Carolina.

DFHC filed a verified petition with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to its metered water and sewer customers in Gardner Hill Station in Guilford County an increase in the cost of purchasing water service from the City of Greensboro (City) and sewer service from the Town of Jamestown (Town). N.C.G.S. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff reviewed DFHC's petition and recommended that DFHC be allowed to increase its water and sewer rates as follows:

	<u>Old Rates</u>	<u>New Rates</u>
Water Utility Service		
Monthly base facility charge for zero usage	\$13.97	\$15.40
Usage charge per 1,000 gallons	\$11.45	\$12.62
Sewer Utility Service		
Usage charge per 1,000 gallons	\$ 5.69	\$ 7.37

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of July, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief 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-1315, Sub 8, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2023.

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-1315, Sub 8.

Witness my hand and notarial seal, this the ____ day of _____, 2023.

Notary Public

Printed Name

(SEAL) My Commission Expires:

Date

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 93

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Old North State Water Company, Inc.,)
3212 6 th Avenue South, Suite 200, Birmingham,)
Alabama 35222, for Authority to Amend Its Tariff to)
Increase Rates for Water Utility Service for the)
Increased Cost of Purchased Water from the Town)
of Stedman in the Blawell Subdivision in Cumberland)
County, North Carolina)
	ORDER APPROVING
	TARIFF REVISION AND
	REQUIRING CUSTOMER
	NOTICE

BY THE COMMISSION: On July 3, 2023, Old North State Water Company, Inc. (ONSWC), filed a verified request with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to its metered water customers in the Blawell subdivision in Cumberland County an increase in the cost of purchasing water service from the Town of Stedman. N.C.G.S. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

ONSWC stated that, effective June 1, 2023, the Town of Stedman increased its usage charge for water service by \$1.00 per 1,000 gallons, increasing the rate from \$4.00 to \$5.00 per 1,000 gallons. ONSWC requested to increase its usage charge to its customers in the Blawell subdivision to pass along this increase in the cost of purchasing water service from the Town of Stedman.

ONSWC's current usage rate related to its bulk purchased water service from the Town of Stedman became effective on March 20, 2023, upon issuance of the Commission's Order Approving Tariff Revision and Requiring Customer Notice in Docket No. W-1300, Sub 90. ONSWC requested authority to increase its water usage rate from \$4.01 to \$5.01 per 1,000 gallons to reflect the increase in the cost of purchasing water service from the Town of Stedman. The monthly base facility charge remains \$24.11. Under the new water usage rate, the average residential customer's monthly water bill will increase by \$3.78, from \$39.29 to \$43.07 based on 3,785 gallons of usage.

ONSWC requested that the Commission confirm that the proposed rate adjustment will be subject to and increased by the current North Carolina regulatory fee percentage. The current ONSWC usage rate for the Blawell subdivision includes \$0.01 per 1,000 gallons for the North Carolina regulatory fee and will be sufficient to recover the regulatory fee (0.1475% effective July 1, 2023) under the new proposed water usage rate.

The Public Staff – North Carolina Utilities Commission (Public Staff) presented this matter at the Commission's Staff Conference on July 24, 2023. The Public Staff stated that it had reviewed the Town of Stedman's rates and the Company's request and recommended that the Commission approve the tariff revision at the proposed rates for service rendered on and after the date of this order and require customer notice.

Based upon the foregoing, the Commission finds that ONSWC should be allowed to pass through the costs associated with the increased purchased water expense.

IT IS, THEREFORE, ORDERED as follows:

1. That ONSWC is granted a revision to Appendix A of its tariff for water utility service in the Blawell subdivision in Cumberland County in which it purchases and resells water from the Town of Stedman, as set forth herein;
2. That the revised Appendix A attached hereto is approved and is deemed filed with the Commission pursuant to N.C.G.S. § 62-138. This Schedule of Rates shall become effective for services rendered on and after the date of this Order; and
3. That the Notice to Customers attached hereto as Appendix B be mailed with sufficient postage or hand delivered by ONSWC to all its affected customers in the Blawell service area contemporaneously with the next billing of customers, and that the Company shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than ten days after the date of the next billing.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of _____, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

SCHEDULE OF RATES

for

OLD NORTH STATE WATER COMPANY, INC.

for providing water utility service in

ALL OF ITS SERVICE AREAS IN NORTH CAROLINA

Monthly Base Rate (zero usage):	\$ 24.11
Usage Rate per 1,000 gallons for Rocklyn	\$ 5.57
Usage Rate per 1,000 gallons for Blawell	\$ 5.01
Usage Rate per 1,000 gallons for all other systems	\$ 7.57
<u>Connection (tap) Fee:</u>	
Shiloh	\$ 500.00
Meadow Lake	\$ 500.00
Olde Mill Trace	\$ 500.00
Leone Landing	\$4,000.00
Kanata Mills	\$ 500.00
Ethans Meadow	\$ 500.00
Bella Vista	\$ 500.00
Yates Mill Estates	\$ 500.00
Vernon Place	\$ 500.00
Jackson Manor	\$ 500.00
Kingston	\$ 500.00
Autumn Ridge	\$ 500.00
Knights Landing	\$ 500.00
Mornington	\$ 500.00
Baileys at Glenmoor	\$ 500.00
Carriage Cove	\$ 500.00
Prescott	\$ 500.00
Camberly Estates	\$ 500.00
Ashcroft Park	\$ 500.00
Yardley	\$ 500.00
Fish Hawk Ranch	\$ 500.00
Sterling Crest II	\$ 500.00
Thatcher Woods	\$ 500.00
Arlington Manor	\$ 500.00
Bella Terra	\$ 500.00
All other systems	\$ 0.00

Meter Installation Fee: \$ 125.00

New Account Fee: \$ 20.00

Reconnection Charge:
Service Discontinued by Utility: \$ 30.00

Reconnection Charge:
Service Discontinued by Customer: \$ 15.00

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Monthly for service in arrears

Finance Charges for Late Payment: 1% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.

All rates and fees are per Residential Equivalent Unit

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1300, Sub 93, on this the ___th day of _____, 2023.

APPENDIX B

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-1300, SUB 93
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is given that the North Carolina Utilities Commission has granted Old North State Water Company, Inc. (ONSWC), an increase in its water usage charge for customers in the Blawell subdivision in Cumberland County, North Carolina.

ONSWC filed a verified request with the Commission pursuant to N. C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to water customers in the Blawell subdivision area in Cumberland County an increase in the cost of purchasing water service from the Town of Stedman. N.C.G.S. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff – North Carolina Utilities Commission (Public Staff) reviewed the Town of Stedman's rates and the Company's request and recommended that ONSWC be allowed to increase its water usage rate by \$1.00 per 1,000 gallons, increasing the rate from \$4.01 to \$5.01 per 1,000 gallons effective for service rendered on and after the date of this Notice. The monthly base facility charge remains \$24.11.

The new water usage rate will increase the average residential monthly water bill by \$3.78, from \$39.29 to \$43.07 based on an average usage of 3,785 gallons.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief 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-1300, Sub 93 and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2023.

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-1300, Sub 93.

Witness my hand and notarial seal, this the ____ day of _____, 2023.

Notary Public

Printed Name

(SEAL) My Commission Expires: _____
Date

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1120, SUB 9

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Conleys Creek Limited)	
Partnership, 1112 Conleys Creek Road,)	
Whittier, North Carolina 28789, for Authority)	ORDER ESTABLISHING
to Adjust and Increase Rates for Water and)	GENERAL RATE CASE AND
Sewer Utility Service in Smoky Mountain)	SUSPENDING RATES
Country Club Subdivision in Swain County,)	
North Carolina)	

BY THE COMMISSION: On June 13, 2023, Conleys Creek Limited Partnership (Applicant) filed an application with the Commission seeking authority to increase its rates for providing water and sewer utility services in the Smoky Mountain Country Club subdivision in Swain County, North Carolina. On July 5, 2023, the Applicant filed an Amended Application (the application and amended application are hereinafter collectively referred to as the Application). The Applicant provides water and sewer utility service to approximately 127 residential customers.

The present water and wastewater utility rates have been in effect since October 11, 2016, pursuant to the Commission's Order in Docket No. W-1120, Sub 8.

The Commission finds that the Application constitutes a general rate case and concludes that the proposed new rates should be suspended pending investigation.

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 year period is established as the 12-month period ending December 31, 2022; and
4. That the Commission shall issue an order establishing discovery guidelines, scheduling hearings, and requiring customer notice at a later date.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of _____, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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