

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1274, SUB 8

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Lake Junaluska Assembly,)
Incorporated, 19 Sleepy Hollow Drive, Waynesville,) ORDER APPROVING
North Carolina, 28785, for Authority to Amend Its) TARIFF REVISION AND
Tariff to Increase Rates for Providing Water and) REQUIRING CUSTOMER
Sewer Utility Service in Its Service Area in) NOTICE
Haywood County, North Carolina)

BY THE COMMISSION: On September 2, 2020, Lake Junaluska Assembly, Incorporated (LJA), filed a letter 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 and sewer customers in its Lake Junaluska Assembly service area in Haywood County an increase in the cost of purchasing bulk water and sewer treatment service from the Town of Waynesville (Waynesville). On September 24, 2020, LJA filed the required verification. N.C.G.S. § 62-133.11 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 has reviewed the current rates for water service. LJA has two usage charges for water service: (1) customers who receive both metered water and sewer service and (2) customers who receive metered water service only. Waynesville charges LJA its bulk water and sewer usage rates for all water purchased by LJA. For LJA's metered water only customers, the water usage charge includes the additional component of the bulk sewer usage charge from Waynesville. The Public Staff recommends that LJA be allowed to increase its usage charge for metered water service by \$0.07 per 100 cubic feet (ccf), increasing the rate from \$2.54 per ccf to \$2.61 per ccf, and increase its usage charge for metered water only by \$0.41 from \$5.95 per ccf to \$6.36 per ccf.

LJA provides sewer service to metered sewer customers and flat rate sewer customers. Increasing the usage charge only would have no effect on flat rate customers, leaving metered customers to bear the full impact of the increase in the cost of sewer treatment. Therefore, the Public Staff has used the rate design in LJA's last general rate case, Docket No. W-1274, Sub 7, Casselberry Exhibit No. 11, and adjusted the rates to reflect an increase of \$21,694 in revenue for purchased sewer treatment. LJA's current rates and the Public Staff's recommend rates for sewer service are shown below:
Monthly Metered Service: (Residential and Commercial)

	Present Rates	Public Staff Recommend Rates
Base facility charge (zero usage)		
3/4" meter	\$ 17.00	\$ 17.00
1" meter	\$ 42.50	\$ 42.50
2" meter	\$ 136.00	\$ 136.00
3" meter	\$ 255.00	\$ 255.00
4" meter	\$ 425.00	\$ 425.00
Usage charge, per 100 cubic feet	\$ 4.71	\$ 5.20
Usage charge, per 1,000 gallons	\$ 6.29	\$ 6.95

Monthly Flat Rate (Residential and Commercial)

	Present Rates	Public Staff Recommend Rates
Sewer Only		
Residential (3/4" meter)	\$ 29.00	\$ 30.25
Commercial (3/4" meter)	\$ 29.00	\$ 30.25
Restaurant	\$ 232.00	\$ 242.00
Mobile Home Park	\$ 435.00	\$ 453.75

The Public Staff has also evaluated the effect of the current regulatory fee of 0.13% on the proposed increase and determined that it is less than \$0.01 per ccf for water service. The Public Staff has also determined that the revenue generated by the Public Staff's recommended rates for sewer would cover the \$28.20 increase in regulatory fees.

The new rates will increase the average residential monthly bill from \$56.16 to \$57.73 based on an average usage of 2.78 per ccf (not including \$16.28 for the water and sewer capital improvement assessment). The average usage is determined from Docket No. W-1274, Sub 7, Casselberry Exhibit No. 10.

This matter was presented at the Commission's Staff Conference on October 12, 2020. The Public Staff states that it had reviewed the Applicant's request and recommends that the tariff revision be approved. The Applicant agrees with the Public Staff's recommended rates.

Based upon the foregoing, the Commission is of the opinion that the tariff revision should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That Lake Junaluska Assembly, Incorporated is granted a tariff revision for water and sewer utility service in its service area in Haywood County, North Carolina, as set forth herein;

2. That the Schedule of Rates, attached as Appendix A, 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;

3. That a copy of the Notice to Customers, attached hereto as Appendix B, shall be mailed with sufficient postage, or hand delivered by the Applicant, to all affected customers in Lake Junaluska Assembly's service area contemporaneously with the next billing of customers; and

4. That Lake Junaluska Assembly shall file with the Commission the attached Certificate of Service, properly signed and notarized, within 45 days of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 13th day of October, 2020.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Kimberley A. Campbell". The signature is written in a cursive style with a large initial 'K'.

Kimberley A. Campbell, Chief Clerk

SCHEDULE OF RATES

for

LAKE JUNALUSKA ASSEMBLY, INCORPORATED

for providing water and sewer service

in

LAKE JUNALUSKA ASSEMBLY SERVICE AREA

Haywood County, North Carolina

WATER RATES AND CHARGES

MONTHLY METERED SERVICE: (Residential and Commercial)

		<u>Assessment</u>
Base Facilities Charge (zero usage)		
3/4" meter	\$ 19.01	\$ 8.14
1" meter	\$ 47.53	\$ 20.35
2" meter	\$ 152.08	\$ 65.12
3" meter	\$ 285.15	\$122.10
4" meter	\$ 475.25	\$203.50
Usage Charge, per 100 cubic feet	\$ 2.61	
Usage Charge, per 1000 gallons	\$ 3.49	

Water only: (Residential and Commercial)

		<u>Assessment</u>
Base Facilities Charge (zero usage)		
3/4" meter	\$ 19.01	\$ 8.14
1" meter	\$ 47.53	\$ 20.35
Usage Charge, per 100 cubic feet	\$ 6.36	

SEWER RATES AND CHARGES

MONTHLY METERED SERVICE: (Residential and Commercial)

		<u>Assessment</u>
Base Facilities Charge (zero usage)		
3/4" meter	\$ 17.00	\$ 8.14
1" meter	\$ 42.50	\$ 20.35
2" meter	\$ 136.00	\$ 65.12
3" meter	\$ 255.00	\$122.10
4" meter	\$ 425.00	\$203.50
Usage Charge, per 100 cubic feet	\$ 5.20	
Usage Charge, per 1000 gallons	\$ 6.95	

MONTHLY FLAT RATE: (Residential and Commercial)

<u>Sewer only:</u>		<u>Assessment</u>
Residential (3/4 inch meter)	\$ 30.25	\$ 8.14
Commercial (3/4 inch meter)	\$ 30.25	\$ 8.14
Restaurant	\$ 242.00	\$ 65.12
Mobile Home Park	\$ 453.75	\$122.10

Reconnection Charges:

If water service is cut off by utility for good cause	\$ 15.00
If sewer service is cut off by utility for good cause	\$ 15.00

Connection Charge:

Water	\$600
Sewer	\$600

Bills Due: On billing date

Bills Past Due: 25 days after billing date

Billing frequency: Shall be monthly for service in arrears

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

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-1274, SUB 8
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that the North Carolina Utilities Commission has granted Lake Junaluska Assembly, Incorporated (Applicant), an increase in its water and sewer rates in Lake Junaluska Assembly (LJA) service area in Haywood County, North Carolina.

The Applicant filed a letter 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 and sewer customers in its LJA service area in Haywood County an increase in the cost of purchasing water service and sewer treatment from the Town of Waynesville. N.C.G.S. § 62-133.11 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) has reviewed the current rates for water service and recommends that LJA be allowed to increase its usage charge for metered water service by \$0.07 per 100 cubic feet (ccf), increasing the rate from \$2.54 per ccf to \$2.61 per ccf, and increase its usage charge for metered water only by \$0.41 from \$5.95 per ccf to \$6.36 per ccf.

The Public Staff also reviewed the current rates for sewer treatment and recommends the rates for sewer service as shown below:

Monthly Metered Service: (Residential and Commercial)

	Present Rates	Approved Rates
Base facility charge (zero usage)		
3/4" meter	\$ 17.00	\$ 17.00
1" meter	\$ 42.50	\$ 42.50
2" meter	\$ 136.00	\$ 136.00
3" meter	\$ 255.00	\$ 255.00
4" meter	\$ 425.00	\$ 425.00

	Present Rates	Approved Rates
Usage charge, per 100 cubic feet	\$ 4.71	\$ 5.20
Usage charge, per 1,000 gallons	\$ 6.29	\$ 6.95

Monthly Flat Rate (Residential and Commercial)

	Present Rates	Approved Rates
Sewer Only		
Residential (3/4" meter)	\$ 29.00	\$ 30.25
Commercial (3/4" meter)	\$ 29.00	\$ 30.25
Restaurant	\$ 232.00	\$ 242.00
Mobile Home Park	\$ 435.00	\$ 453.75

The new rates will increase the average residential monthly bill from \$56.16 to \$57.73 based on an average usage of 2.78 per ccf (not including \$16.28 for the water and sewer capital improvement assessment).

ISSUED BY ORDER OF THE COMMISSION.

This the 13th day of October, 2020.

NORTH CAROLINA UTILITIES COMMISSION



Kimberley A. Campbell, 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-1274, Sub 8, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2020.

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-1274, Sub 8.

Witness my hand and notarial seal, this the ____ day of _____, 2020.

Notary Public

Printed Name

(SEAL) My Commission Expires:

Date