



CERTIFICATION

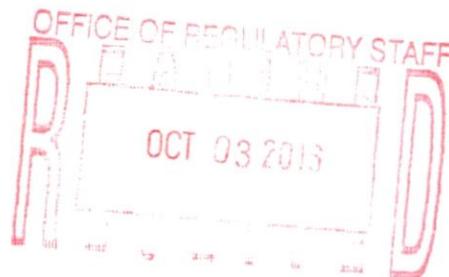
Post Office Box 1028
Beaufort, S.C. 29901-1028

HARBOR ISLAND UTILITIES, INC.

(843) 982-0405 fax: 982-0707

October 3, 2016

Ms. Jocelyn Boyd
Chief Clerk/ Administrator
Public Service Commission of South Carolina
Docketing Department
101 Executive Center Drive, Suite 100
Columbia, SC 29210



RE: Harbor Island Utilities, Inc.
Docket No. 2016-29-WS

Dear Ms. Boyd:

This letter is written to comply with item #2 of your August 29, 2016 letter to our attorney, Mr. J. Thomas Mikell (copy attached).

I hereby certify that the PSCSC Notice of **Filing and Hearing and Prefile Testimony Deadline** was mailed to our customers via bill inserts on September 13, 2016. Also included in that mailing was a copy of the enclosed letter from me to customers.

Enclosed is a copy of the certification from *The Island News* that it published the **Filing and Hearing and Prefile Testimony Deadline** in its September 8, 2016 issue.

Please contact me if you have any questions or if you need additional information.

Sincerely,
HARBOR ISLAND UTILITIES, INC.

Robert G. Gross
President

Copy: Mr. Dukes Scott, Office of Regulatory Staff (with enclosures)





The Public Service Commission State of South Carolina

COMMISSIONERS
Swain E. Whitfield, Fifth District
Chairman
Comer H. "Randy" Randall, Third District
Vice Chairman
John E. "Butch" Howard, First District
Elliott F. Elam, Jr., Second District
Elizabeth B. "Lib" Fleming, Fourth District
Nikiya "Nikki" Hall, Sixth District
G. O'Neal Hamilton, Seventh District

Jocelyn Boyd
Chief Clerk/Administrator
Phone: (803) 896-5133
Fax: (803) 896-5246

Clerk's Office
Phone: (803) 896-5100
Fax: (803) 896-5199

August 29, 2016

J. Thomas Mikell, Esquire
Mikell Law Firm
Post Office Box 1727
Beaufort, SC 29901-1727

In Re: Docket No. 2016-29-WS - Application of Harbor Island Utilities, Inc. for Approval of a New Schedule of Rates and Charges for Water and Sewer Service on Harbor Island, Beaufort County

Dear Mr. Mikell:

Enclosed herewith is the Notice of Filing and Hearing and Prefile Testimony Deadlines concerning the above-captioned Docket. In order to proceed with the processing of this matter, it will be necessary for you to accomplish the following:

1. Publish at your own expense, on or before **September 13, 2016**, the enclosed Notice of Filing and Hearing and Prefile Testimony Deadlines in newspapers of general circulation one time and provide the undersigned Proof of Publication on or before **October 4, 2016**.
2. Furnish at your own expense, on or before **September 13, 2016**, by U.S. Mail via bill inserts or by electronic mail to customers who have agreed to receive notice by electronic mail, the enclosed Notice of Filing and Hearing and Prefile Testimony Deadlines to each affected customer and provide a certification to the Commission on or before **October 4, 2016**, that this notification has been furnished.

Please refer to applicable South Carolina statutes, Commission orders, rules and regulations, including Commission Order No. 2013-388.

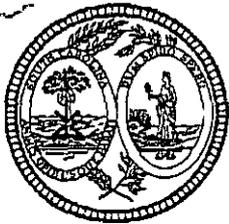
Failure to comply with the above on or before the dates indicated may result in the **DISMISSAL** of your pleading.

Please carefully review the Notice. If the Notice is not to your satisfaction, or if you find any errors, please notify us before publishing.

In the meantime, if you should require additional information, please advise.

Sincerely,

Clerk's Office
Enclosures



The Public Service Commission State of South Carolina

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Clerk's Office
Phone: (803) 896-5100
Fax: (803) 896-5195

August 29, 2016

IN RE: DOCKET NO. 2016-29-WS - Application of Harbor Island Utilities, Inc. for Approval of a New Schedule of Rates and Charges for Water and Sewer Service on Harbor Island, Beaufort County

TO: ALL PARTIES OF RECORD
Pursuant to 10 S.C. Code Ann. Regs. 103-845:

1. The **Applicant** must prefile with the Commission 1 copy of the direct testimony and exhibits of the witnesses it intends to present and serve the testimony and exhibits of the witnesses on all Parties of Record on or before **November 1, 2016** (must be post-marked on or before this date).
2. **Other Parties of Record and the Office of Regulatory Staff (ORS)** must prefile with the Commission 1 copy of direct testimony and exhibits of the witnesses they intend to present and serve the testimony and exhibits of the witnesses on all Parties of Record on or before **November 15, 2016** (must be post-marked on or before this date).
3. The **Applicant** filing **Rebuttal Testimony** must prefile with the Commission 1 copy of the testimony and exhibits of the witnesses it intends to present and serve the testimony and exhibits of the witnesses on all Parties of Record on or before **November 22, 2016** (Rebuttal testimony and exhibits must be in the offices of the Commission and in the hands of the parties on this date).
4. **Other Parties of Record and the ORS** filing **Surrebuttal Testimony** must prefile with the Commission 1 copy of the testimony and exhibits of the witnesses they intend to present and serve the testimony and exhibits of the witnesses on all Parties of Record on or before **November 29, 2016** (Surrebuttal testimony and exhibits must be in the offices of the Commission and in the hands of the parties on this date).

Please be advised that failure to comply with the instructions contained herein could result in your proposed witnesses' testimony and exhibits being excluded in the subject proceeding. Additionally, please note that failure to comply with the above on or before the dates indicated may result in the DISMISSAL of your pleading.

Sincerely,

Clerk's Office

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

NOTICE OF FILING AND HEARING AND PREFILE TESTIMONY DEADLINES

DOCKET NO. 2016-29-WS

Application of Harbor Island Utilities, Inc. for Approval of a New Schedule of Rates and Charges for Water and Sewer Service on Harbor Island, Beaufort County

Harbor Island Utilities, Inc. (Harbor Island or the Company) has filed an Application for adjustment of rates and charges for, and the modification of certain terms and conditions related to, the provision of water and sewer service for residential and commercial customers. According to the Application, due to increased operating expenses and major capital improvements, the Company must increase its rates and charges. Detailed cost justifications are included on page three of the Application and include, but are not limited to the following: purchasing a back-up generator to provide electric power to the system in the event of power failures; purchasing a new water valve exerciser; purchasing and installing a Mag-Meter to accurately measure the amount of treated effluent water pumped to the Fripp Island Public Service District (FIPSD); replacing valves in the water distribution system, and replacing the second of the two blowers at the wastewater treatment system.

Harbor Island states that some of the more notable reasons the operating expenses have increased are as follows (see page five for the complete list): Beaufort-Jasper Water & Sewer Authority (BJWSA) raised the wholesale rate of its water from \$2.60 per 1000 gallons to \$2.63 per 1000 gallons in 2015 and from \$2.63 per 1000 gallons to \$2.66 per 1000 gallons in 2016; FIPSD increased the transportation fee for water delivered to Harbor Island from \$0.33 per 1000 gallons to \$0.34 per 1000 gallons in 2015; and the cost to dispose of waste activated sludge has risen from approximately \$4,500 annually in 2011-2012-2013 to an average of over \$14,000 annually for 2014-2015.

The Application was filed pursuant to S.C. Code Ann. §58-5-240 and 10 S.C. Code Ann. Regs. 103-512.4A and 103-712.4.A.

THE PRESENT AND PROPOSED RATES ARE SET FORTH BELOW:

SEWER		
	CURRENT RATE	PROPOSED NEW RATE
Residential	\$37.18/month	\$62.42/month
Commercial	\$37.18 for 10,500 gallons plus \$1.50/1,000 excess usage	\$62.42 for 10,500 gallons plus \$1.50/1,000 excess usage
GENERAL		
Set-Up Fee for New Customers	\$25.00	\$25.00
Pass Through Rate Increases from Beaufort-Jasper Water & Sewer Authority or the Fripp Island Public Service District	At Cost	At Cost
Administrative Fee for Delinquent Accounts	\$10.00	\$15.00
Late Fees	In PSCSC Regulations	1% of unpaid balance
Returned Check Fee	In PSCSC Regulations	\$30.00

WATER

	CURRENT RATE	PROPOSED NEW RATE
Residential 3/4" meter (base)	\$17.24/month	\$35.61/month
Residential 1" meter (base)	\$21.00/month	\$39.37/month
Residential 1 1/2" meter (base)	\$26.50/month	\$44.87/month
Usage	\$4.62/1,000 gallons	\$7.17/1,000 gallons
Commercial 3/4" meter (base)	\$24.00/month	\$42.37/month
Commercial 1" meter (base)	\$27.00/month	\$45.37/month
Commercial 1 1/2" meter (base)	\$33.00/month	\$51.37/month
Usage	\$4.62/1,000 gallons	\$7.17/1,000 gallons
Irrigation 3/4" meter (base)	\$17.24/month	\$35.61/month
Irrigation 1" meter (base)	\$21.00/month	\$39.37/month
Irrigation 1 1/2" meter (base)	\$26.50/month	\$44.87/month
Usage	\$4.62/1,000 gallons	\$7.17/1,000 gallons
Multiple Residence Meters (base)	\$17.24/month	\$27.09/month
Usage	\$4.62/1,000 gallons	\$7.17/1,000 gallons
Fire Hydrant Usage		
Meter Usage Charge	\$65.00	\$65.00
Water Deposit	\$75.00	\$75.00
Usage	\$4.17/1,000 gallons	\$7.17/1,000 gallons

A copy of the company's application can be found on the Commission's website at www.psc.sc.gov under Docket No. 2016-29-WS. Additionally, a copy of the application is available from the office of J. Thomas Mikell, Esquire, Mikell Law Firm, Post Office Box 1727, Beaufort, South Carolina 29901-1727 and Robert G. Gross, President, Harbor Island Utilities, Inc., Post Office Box 1028, Beaufort, South Carolina 29901-1028.

PLEASE TAKE NOTICE that a hearing, pursuant to 10 S.C. Code Ann. Regs. 103-817, on the above matter has been scheduled to begin on **Tuesday, December 06, 2016, at 10:30 a.m.**, before the Commission in the Commission's Hearing Room at 101 Executive Center Drive, Saluda Building, Columbia, South Carolina 29210 for the purpose of receiving testimony and evidence from all interested parties. The hearing may continue through December 7, 2016, if necessary.

Any person who wishes to participate in this matter as a party of record should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **October 4, 2016**, by filing the Petition to Intervene with the Commission, by providing a copy to the Office of Regulatory Staff and by providing a copy to all parties of record. For the receipt of future Commission correspondence, please include an email address in the Petition to Intervene. **Please refer to Docket No. 2016-29-WS and mail a copy to all other parties in this docket.** Any person who seeks to intervene and who wishes to testify and present evidence at the hearing should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before **October 4, 2016**. **Please refer to Docket No. 2016-29-WS.**

INSTRUCTIONS TO ALL PARTIES OF RECORD (Applicant, Petitioners, and Intervenors only):

All Parties of Record must prefile testimony with the Commission and with all Parties of Record. Prefiled Testimony Deadlines: Applicant's **Direct Testimony Due: 11/1/2016**; Other Parties of Record **Direct Testimony Due: 11/15/2016**; Applicant's **Rebuttal Testimony Due: 11/22/2016**; and Other Parties of Record **Surrebuttal Testimony Due: 11/29/2016**. All prefiled testimony deadlines are subject to the information as posted on www.psc.sc.gov under **Docket No. 2016-29-WS**.

Any person who wishes to request that the Commission hold a public hearing in his or her county of residence in order to hear comments from the utility's customers, should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before **October 4, 2016**. *Please refer to Docket No. 2016-29-WS.*

For the most recent information regarding this docket, including changes in scheduled dates included in this Notice, please refer to www.psc.sc.gov and *Docket No. 2016-29-WS*.

PLEASE TAKE NOTICE that any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments in person to the Commission during the hearing.

Persons seeking information about the Commission's procedures should contact the Commission at (803) 896-5100 or visit its website at www.psc.sc.gov.

8/29/16



Post Office Box 1028
Beaufort, S.C. 29901-1028

HARBOR ISLAND UTILITIES, INC.

(843) 982-0405 fax: 982-0707

September 12, 2016

Dear Harbor Island Utilities Customer:

Earlier this year, I met with the Harbor Island Owners Association Board and informed them that we were applying to the Public Service Commission of S.C. (PSC) for an increase in water and sewer rates. Enclosed please find the official Notice of Filing and Prefile Testimony Deadlines from the PSC. The PSC likely will make a final decision in early 2017. Our last rate increases will have been ten years ago (2007).

These increases are necessary due to increased cost of operations and including several major upgrades and repairs to the water and sewer systems. In addition to painting the tanks, which many of you are aware of, we completely replaced the original water pumping system. The new system provides consistent pressure under even the heaviest demands. We also replaced the wastewater effluent filter with a system that is reliable and provides a very high quality effluent, which is necessary to comply with the stringent standards required by the SC Department of Health & Environmental Control.

For the average homeowner with minimum water use (less than 2,000 gallons per month), the monthly increase will amount to \$23.50 for water and \$25.24 for sewer or a monthly total of \$48.74. I realize that this is a large increase all at once but it is an average of about \$4.87 per year over the past ten years.

The PSC will review our records, facilities, and justification for the rate increases. They have scheduled a public hearing for Tuesday, December 6, 2016, at the PSC's Hearing Room in Columbia. I encourage you to be involved with the process and give them your input.

If you have any questions about the rate case or any other issue, please call us at (843) 982-0405.

Sincerely,

Robert G. Gross
President

The Island News

BALANCE DUE

INVOICE	DUE DATE
Sept9614	September 9, 2016



The Island News
 PO Box 550
 Beaufort, SC 29901
 (843)575-1816
 theislandnews@gmail.com

INVOICE

BILL TO
 Harbor Island Utilities, Inc

INVOICE # Sept9614
DATE 09/09/2016

TERMS Due on receipt

ACTIVITY	AMOUNT
Services Ad 9/8	

BALANCE DUE

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

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9/6/16

Public Service Commission of South Carolina • Attention: Clerk's Office • 101 Executive Center Drive, Suite 100 • Columbia, SC 29210