



South Carolina
DEPARTMENT OF CONSUMER AFFAIRS
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PROTECTING CONSUMERS SINCE 1975

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August 7, 2020

VIA ELECTRONIC FILING

The Honorable Jocelyn Boyd
 Chief Clerk/Executive Director
 The Public Service Commission of South Carolina
 101 Executive Center Drive
 Columbia, South Carolina 29210

RE: Docket 2019-290-WS
 Application of Blue Granite Water Company for Approval to Adjust Rate
 Schedules and Increase Rates
Request for Clarification

Dear Ms. Boyd:

On June 8, 2020, Blue Granite Water Company (“Blue Granite”) filed a Motion for Approval of Bond pursuant to S.C. Code Ann. § 58-5-240(D). On July 15, 2020, the Commission issued a Directive granting the bond request. It has come to the Department’s attention that Blue Granite recently sent notice to customers of rate increases to take effect September 1, 2020. This being our first instance of exposure to the bond process, the Department of Consumer Affairs seeks clarification from the Commission regarding the bond, Commission Directive, and schedule for the proposed rate increases.

The Commission’s Directive finds the bond amount to be reasonable and Liberty Mutual to be an acceptable surety, able to refund customers should Blue Granite’s appeal be unsuccessful. In reviewing past dispositions of bond requests, the Commission specifically discussed the method of consumer refunds. Further, the decisions were issued via an “Order” as opposed to a “Directive.” With these variances, the Department pondered whether the Directive constitutes the final decision on this matter or whether the Commission intends to issue an Order reflecting its July 15th vote. Further, based on the Commission’s actions to date, the Department is uncertain

if Blue Granite is permitted to charge the new rates referenced in its customer notice on September 1, 2020. We appreciate any clarification you can provide on these issues.

If the Commission's Directive does constitute a final disposition of the bond request, permitting September implementation of increased rates, the Department is concerned about the effect these new rates will have upon the company's customers during this unprecedented pandemic. South Carolina residents continue to face significant unemployment and decreased financial security.

Due to COVID-19, the Department urges Blue Granite and the Commission to consider the impacts of implementing the increased rates under the proposed bond. We suggest the implementation could be delayed either voluntarily by the company or by the Commission pursuant to its inherent authority. *See as examples* S.C. Code Ann. Sections 58-5-320 and 58-5-290. Alternatively, Blue Granite could be permitted to implement the rates "set by the Commission" as it proposed in its March 19, 2020 letter. At this time, the only rates "set by the Commission" in this matter are those contained in Order 2020-306. *See also* Order 2020-260.

The Department recognizes no blueprint exists for the handling of this public health emergency and related financial crisis. We are hopeful creative options to prevent any additional burden, or otherwise lessen the impact, on customers can be reached. We would be happy to participate in any discussions or proceeding to accomplish this goal.

Thank you for your time and consideration of the questions/ concerns raised above. Please feel free to reach out to us with any questions.

Regards,



Roger Hall, Esq.
Assistant Consumer Advocate

Carri Grube Lybarker, Esq.
Administrator/ Consumer Advocate

Enclosure

CC w/ Enclosure: Parties of Record (via email)