

SANFORD LAW OFFICE, PLLC
Jo Anne Sanford, Attorney at Law

January 25, 2023

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Via Electronic Delivery

Re: Application by Carolina Water Service, Inc. of North Carolina for Fair Value Determination and for Certificate of Public Convenience and Necessity to Serve Carteret County Water System
NCUC Dockets No. W-354, Sub 398
--Filing of Final Costs in Fair Value Docket

Dear Ms. Dunston:

Attached for filing please find Carolina Water Service, Inc. of North Carolina's (CWSNC or Company) filing with respect to its inventory of pertinent costs in the referenced docket. This list of costs and fees is presented in the form of an update to the Revised Form Application Exhibit 8, which was filed on August 11, 2022, as part of the original Application in this case.

N.C. Gen. Stat. § 62-133.1A(b)(3) provides:

Reasonable fees, as determined by the Commission, paid to utility valuation experts, may be included in the cost of the acquired system, in addition to reasonable transaction and closing costs incurred by the acquiring public utility.

By the attached pdf, CWSNC submits its actually incurred, supported fees paid to utility valuation experts (including the Public Staff's expert), as well as the transaction and closing costs incurred through January 24, 2023.¹ The final tally includes expenditures in support of the Application, adjustments to the Application, discovery, hearings, Proposed Order, response and supplemental response to customer concerns, and negotiations and response to recent inquiry from the Public Staff regarding the submission of the fees and costs. Payment for fees and

¹ An update was provided to the Public Staff for its review on December 14, 2022, and additional information has been provided, as requested.

other charges associated only with Docket No. W-354 Sub 399, which is the Company's Application for a Certificate of Convenience and Necessity, are omitted. CWSNC submits these costs and fees as reasonable, as necessary to present and defend the Company's position, and as includable under N.C.G.S 62-133.1A as part of the cost of the system to be acquired.

These numbers have been vetted and shared with the Public Staff, which will make a separate filing. This is a case of first impression under the statute; should any new issues of application of law or policy be raised, the Company respectfully requests a reasonable opportunity to address them.

I certify that I have served all parties of record, electronically.

As always, thank you and all your staff for your assistance; please feel free to contact me if there are questions or if additional information is required.

Electronically Submitted

/s/Jo Anne Sanford

North Carolina State Bar No. 6813
Sanford Law Office, PLLC
P.O. Box 28085
Raleigh, NC 27611

David T. Drooz
North Carolina State Bar No. 10310
Fox Rothschild LLP
434 Fayetteville St., Suite 2800
Raleigh, NC 27601
DDrooz@FoxRothschild.com...

Attorneys for CWSNC

Carteret County Water System Acquisition Incurred and Estimated Costs

Actuals as of 01/24/2023

Supplier	Service	Total
Hartman Consultants	CWSNC Valuation	\$ 51,053.84
John Tanum, Attorney at Law	Title / Easement Verifications	\$ 5,100.00
Mill Creek Environmental	Phase 1 Environmental Study	\$ 10,675.00
Poyner Spruill	Real Estate Legal Consultation	\$ 5,827.15
Sanford Law Office, PLLC	Legal	\$ 96,733.55
Stroud Engineering	Surveys	\$ 24,719.90
NewGen Strategies & Solutions	NC Public Staff Valuation	\$ 42,498.23
Draper Aden	1/2 Engineering Assessment	\$ 2,000.00
Fox Rothschild LLP.	Legal	\$ 53,877.00
Dana Hill	Expenses	\$ 1,512.02
Matthew Schellinger	Expenses	\$ 659.62

Internal Captive

Person Name	Hours	Total
Hill, Dana	80	\$ 6,192.94
Konsul, Anthony	19	\$ 1,647.68
Schellinger II, Matthew	32	\$ 2,810.24
Welborn, Leigh	4	\$ 221.36

Estimates through Closing

Supplier	Service	Total
Poyner Spruill	Title and Easement Searches	\$ 5,000.00
Investor's Title	Title Insurance	\$ 800.00
NCUC Expenses		
Notice on Final Order		\$ 710.50
Total		\$ 312,039.03