



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

July 25, 2023

Ms. A. Shonta Dunston, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4300

Re: Docket No. W-218, Sub 553 – Application by Aqua North Carolina, Inc., for a Certificate of Public Convenience and Necessity and for Approval of Rates for Gardner Farms

Dear Ms. Dunston:

Aqua North Carolina, Inc. (Aqua), filed an application seeking a Certificate of Public Convenience and Necessity to provide water service to Gardner Farms and for approval of rates in the above-referenced docket on July 28, 2022. Previously, on May 27, 2023, Aqua filed the Water Utility System Agreement.

The Public Staff has reviewed the filings and deems the application incomplete for the reasons set forth below.

1. The information required by lines 4 through 35 on page 4 of the Application Form was not provided. Based on the customer information included in the application, the proposed service area is not new (i.e., there are customers already being served). Therefore, the Company does not meet the conditions for omitting the information on lines 4 through 35.
2. The information regarding the Company's capital structure provided in response to item 1 on page 5 of the Application Form (also labeled Attachment C page 7 of 9 and located on page 7 of 38 of the PDF filed on July 28, 2022) is outdated. The Company should file a revised page 5 in the docket with information current as of December 31, 2022. The Company should ensure that the percentages in the second column are consistent with the dollar values in the first column.
3. The information required by line 8 on page 6 of the Application Form, a schedule of individual depreciation rates for each type of equipment, was not provided.

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Ms. A. Shonta Dunston, Chief Clerk

Page Two

July 25, 2023

4. Item 12 on the Application Form Exhibits list (a copy of Aqua's most recent fiscal year financial statements) was not provided.
5. Item 13 on the Application Form Exhibits list (a copy of Aqua's parent company's most recent fiscal year financial statements) was not provided.
6. Exhibit 7 on the Application Form Exhibits list requires a copy of purchase agreements or contracts showing provision for ownership or control of the water or sewer systems, including sites for wells or treatments plants. No such copies were provided.
7. Exhibit 8 on the Application Form Exhibits list requires a copy of contracts or agreements, including all attachments, exhibits, and appendices, between the utility and any other party (land developers, customers, etc.) regarding the proposed utility services, including contracts regarding tap fees, construction costs, easements, and rights-of-way, etc. The Applicant provided a Water Utility System Agreement that was incomplete for the following reasons:
 - a. Exhibit 2.4(a) List of all utility contractors currently approved by Utility for water system installations was not provided;
 - b. Exhibit 2.4(b) Construction Warranty was not provided;
 - c. Exhibit 6 Written Certification of Costs Form was not provided;
 - d. Exhibit 10.1 Bill of Sale Form was not provided;
 - e. Exhibit 10.2.a Deed of Easement, Easement Agreement was not provided; and
 - f. Exhibit 10.4.g List of Lot Numbers and Addresses was not provided.

Based on the foregoing, the Public Staff respectfully recommends that the Commission determine that the items enumerated above are deficiencies and render the application incomplete. If the Commission does not consider any of the items listed above a deficiency, the Public Staff respectfully requests that the Commission issue an order directing the Company to file the information enumerated above in the docket and provide the Public Staff a copy within 10 calendar days.

If you have any questions, please do not hesitate to contact me.

Sincerely,
Electronically submitted
/s/ Megan Jost
Staff Attorney
megan.jost@psncuc.nc.gov

cc: Parties of Record

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