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February 5, 2024

VIA ELECTRONIC FILING

Ms. A. Shonta Dunston
Chief Clerk
North Carolina Utilities Commission
430 North Salisbury Street
Dobbs Building
Fifth Floor, Room 5063
Raleigh, NC 27603

**Re: In the Matter of Application of Old North State Water Company, Inc.
for Authority to Adjust and Increase Rates for Water Utility Service in All
Its Service Areas in NC
Docket No. W-1300 Sub 60
*Public Redacted Late-Filed Exhibits 1 through 3 in Response to the
Commission's Request at the October 2, 3 and 9, 2023, Hearing***

Dear Mr. Dunston:

In accordance with the Commission's request, and on behalf of Old North State Water Company, Inc. (ONSWC), we herewith provide Public Redacted Late-Filed Exhibits 1 through 3 as follows:

- ONSWC Public Redacted Late-Filed Exhibit 1 – ONSWC's Amended Annual Report with explanation;
- ONSWC Public Redacted Late-Filed Exhibit 2 – ONSWC's Annual Report Correction Exhibit.



Ms. A. Shonta Dunston
Page Two
February 5, 2024

- ONSWC Public Redacted Late-Filed Exhibit 3 - Letter filing of John McDonald addressing two issues raised by the Commission. Attached to the letter as its Exhibit 1 is the confidential Intercompany Loan and Security Agreement between ONSWC as Lender and Chatham North Holdings, Inc. as Borrower;

On November 17, 2023, ONSWC filed Confidential Late-Filed Exhibits 1 through 3 with the Commission, provided to NC Public Staff and filed with NCUCExhibits@ncuc.net in native format.

Please do not hesitate to contact me with any questions or concerns regarding this filing.

Sincerely,

/s/ David T. Drooz

David T. Drooz

Enclosures

cc: Parties and Counsel of Record
Commission Staff – Legal
NC Public Staff

pbb

FILING INSTRUCTIONS

WHEN TO FILE:

This form, consisting of thirty pages and reflecting **2022** operations, must be electronically filed with the Commission no later than **May 1, 2023**. Failure to electronically file your Annual Report on or before the due date will result in Commission action, which may result in the assessment of financial penalties (North Carolina General Statute § 62-310).

WHERE TO FILE:

Electronically filed with the Commission at <https://www.ncuc.gov> in Docket No. **M-2 Sub 2023W** with the description "**2022 Annual Report of [name of company].**"

VERIFICATION REGARDING ACCURACY OF REPORT:

This report must be verified by the chief executive officer, a senior level financial officer, or the responsible accounting officer of the utility.

QUESTIONS:

If you need help to electronically file your organization's Annual Report, please contact the Chief Clerk's Office at (919) 733-7328. If you have any other questions or need assistance in completing this report, call or write the Public Staff - Accounting Division, 4326 Mail Service Center, Raleigh, North Carolina 27699-4326, Telephone Number (919) 733-4279. This report is available on the Commission's web site at: <https://www.ncuc.gov>.

COMPANY INFORMATION

1. Trade name used for utility business Old North State Water Company, LLC
 2. Name of owner (if different from trade name) _____
 3. Business street address (if different from mailing address) 3212 6th Avenue S, Suite 200
 City and state Birmingham, AL Zip 35222
 4. If corporation, list the following:
 President _____ Vice-President _____
 Secretary _____ Treasurer _____
 Other officers _____
- List three (3) largest stockholders and percent of voting shares held by each:

In what state is firm incorporated? North Carolina What year? 2012

5. If partnership, list the owners and percent of ownership held by each:
John L. McDonald 95.0% Ownership
Michael John Myers 5.00% Ownership
6. Year Company first began utility service: _____
7. Filing status (check one only)
 Corporation Partnership Sole Proprietorship
 Subchapter S Corp. Limited Liability Co. Other (Describe: _____)

PERSONS TO CONTACT

	<u>Name</u>	<u>Address</u>	<u>Telephone</u>
General Manager	<u>John McDonald</u>	<u>PO Box 10127, Birmingham, AL 35202</u>	<u>205-326-3200</u>
Complaints or Billing	<u>Dominic Whicher</u>	<u>PO Box 10127, Birmingham, AL 35202</u>	<u>205-326-3200</u>
Engineering Operations	<u>Sean McMillan</u>	<u>PO Box 10127, Birmingham, AL 35203</u>	<u>205-719-7795</u>
Emergency Service	<u>Old North State Water Co</u>	<u>PO Box 10127, Birmingham, AL 35204</u>	<u>877-511-2911</u>
Accounting	<u>Joseph Mitchell</u>	<u>PO Box 10127, Birmingham, AL 35202</u>	<u>205-326-3200</u>
Outside Accountant	_____	_____	_____

OPERATING STATISTICS

Employees

Number of full-time employees at end of year	<u>12</u>
Number of part-time employees at end of year	<u>0</u>
Total <u>months</u> worked by each full-time employee during year	<u>12</u>
Total <u>days</u> worked by each part-time employee during year	<u>0</u>
Total salaries and wages paid during year	<u>577,476</u>

Reconnections (not including initial connections)

	<u>Water</u>	<u>Sewer</u>
Number of service reconnections during year (See Rule R7-20 and R10-16)	<u>0</u>	<u>0</u>
Number of different customers who had service reconnected during year	<u>0</u>	<u>0</u>

Customer Deposits

Amount of customer deposits received during year	<u>0</u>
Amount of customer deposits refunded during year	<u>0</u>
Balance of customer deposits held at end of year	<u>0</u>
Amount of customer deposits held for more than 12 months	<u>0</u>

Other Information

	<u>WATER</u>	<u>SEWER</u>	<u>COMBINED</u>
Annual operating revenues	<u>1,343,437</u>	<u>2,233,203</u>	<u>3,576,640</u>
Utility plant in service at year end	<u>11,811,749</u>	<u>27,265,383</u>	<u>39,077,132</u>
End-of-period customers	<u>1965</u>	<u>4,147</u>	<u>6,112</u>

SERVICE AREAS												
For each subdivision or service area, list the following in alphabetical order.												
Name of Subdivision or Service Area	County	Water: DENR System Identification Number	Sewer: NPDES or Non-discharge Permit No.	Type of Service (W, S, or W&S)	Master System Name (If Interconnected)	Number of Wells in Service	Source of Water Supply (Wells, Purchased, Other, or N/A)	Is Water Service Metered? (Yes or No)	Number of Service Customers at Year End - Water	Number of Service Customers at Year End - Sewer	Number of Customers That Can Be Served by Mains Installed - Water	Number of Customers That Can Be Served by Mains Installed - Sewer
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Arlington Manor SID (Hay 42) (Sub 81)	Wake	NC4092184	N/A	W	N/A	1	Wells	Yes	20	N/A	20	N/A
Ashcroft Park (Sub 39)	Gulford	NC3941103	N/A	W	N/A	2	Wells	Yes	89	N/A	89	N/A
Ashboro County Club (Sub 28)	Randolph	NC3078006	N/A	W	N/A	1	Wells	Yes	10	N/A	20	N/A
Autumn Ridge (Sub 48)	Gulford	NC3041106	N/A	W	N/A	1	Wells	Yes	19	N/A	22	N/A
Avatym (Sub 36)	Wake	NC4092195	N/A	W	N/A	1	Wells	Yes	29	N/A	30	N/A
Balloy Farms (Sub 37)	Franklin	NC4035019	N/A	W	N/A	1	Wells	Yes	67	N/A	71	N/A
Balleys at Glenmoor (Sub 23)	Wake	NC4092106	N/A	W	N/A	1	Wells	Yes	23	N/A	21	N/A
Bella Terra (Sub 67)	Wake	NC4092128	N/A	W	Bella Vista	2	Wells	Yes	4	N/A	16	N/A
Bella Vista (Sub 14)	Wake	NC4092128	N/A	W	N/A	2	Wells	Yes	55	N/A	67	N/A
Bingham Woods MHP (Sub 46)	Chatham	NC3088188	WQ0005279	W&S	N/A	2	Wells	Yes	66	66	76	75
Blaney Farms (Sub 7)	Wake	NC4092134	N/A	W	N/A	1	Wells	Yes	33	N/A	34	N/A
Blaney South (Sub 25)	Wake	NC4092134	N/A	W	Blaney Farms	1	Wells	Yes	52	N/A	52	N/A
Blewett SID (Maxwell) (Sub 31)	Cumberland	NC0328119	N/A	W	N/A	0	Wells	Yes	39	N/A	35	N/A
Brier Chapel (Sub 9)	Chatham	N/A	WQ0028562	S	N/A	N/A	N/A	N/A	N/A	2198	N/A	2000
Brock Meadow (Sub 58)	Wake	NC4082180	N/A	W	N/A	1	Wells	Yes	12	N/A	12	N/A
Cadence	Gulford	NC3041103	N/A	W	Ashcroft Park	2	Wells	Yes	23	N/A	92	N/A
Camberly (Sub 43)	Wake	NC4092191	N/A	W	N/A	4	Wells	Yes	90	N/A	72	N/A
Caroline Plantations (Sub 1)	Onslow	N/A	WQ0033770	S	N/A	N/A	N/A	N/A	N/A	987	N/A	1077
Carriage Cove (Sub 23)	Gulford	NC3041111	N/A	W	N/A	2	Wells	Yes	0	N/A	54	N/A
Carriage Way (Sub 28)	Gulford	NC3041045	N/A	W	N/A	3	Wells	Yes	20	N/A	20	N/A
Cedar Point (Sub 5)	Carteret	N/A	WQ0036706	S	N/A	N/A	N/A	N/A	2	N/A	2	N/A
Dogwood Acres (Sub 50)	Rockingham	NC0278153	N/A	W	N/A	1	Wells	N/A	26	N/A	30	N/A
Ethans Meadows (Sub 22)	Wake	NC4092144	N/A	W	N/A	1	Wells	Yes	20	N/A	21	N/A
Flash Hawk Ranch (Sub 63)	Wake	NC4092179	N/A	W	N/A	2	Wells	Yes	39	N/A	69	N/A
Forest Sound (Sub 20)	Pender	N/A	WR0030088	S	Majestic Oaks	0	N/A	N/A	N/A	16	N/A	108
Horse Creek Farms (Sub 19)	Onslow	N/A	WQ0014878	S	N/A	N/A	N/A	N/A	N/A	299	N/A	400
Jackson Manor (Sub 18)	Wake	NC4082146	N/A	W	N/A	2	Wells	Yes	68	N/A	71	N/A
Kanata Mills (Camp Kanata) (Sub 27)	Wake	NC4092145	N/A	W	N/A	2	Wells	Yes	129	N/A	69	N/A
Kensington Place (Sub 28)	Gulford	NC3041085	N/A	W	N/A	1	Wells	Yes	24	N/A	24	N/A
Kingston Manor (Sub 13)	Wake	NC4092133	N/A	W	N/A	1	Wells	Yes	37	N/A	37	N/A
Knight's Landing (Sub 16)	Gulford	NC3041101	N/A	W	N/A	2	Wells	Yes	35	N/A	77	N/A
Leone Landing (Sub 4)	Wake	NC4092127	N/A	W	N/A	2	Wells	Yes	26	N/A	68	N/A
Majestic Oaks (Sub 0)	Pender	N/A	WQ0030088	S	N/A	N/A	N/A	N/A	N/A	164	N/A	171
Meadow Lake (Donnybrook) (Sub 32)	Franklin	NC4035018	N/A	W	N/A	1	Wells	Yes	23	N/A	48	N/A
Mendham (Sub 44)	Wake	NC4092174	N/A	W	N/A	1	Wells	Yes	50	N/A	48	N/A
Mornington (Sub 21)	Wake	NC4292153	N/A	W	N/A	3	Wells	Yes	46	N/A	27	N/A
Olds Mill Trace (Sub 34)	Wake	NC4092188	N/A	W	N/A	2	Wells	Yes	154	N/A	155	N/A
Parkers Gate	Franklin	NC4035019	N/A	W	Balloy Farms	2	Wells	Yes	30	N/A	49	N/A
Prescott (Sub 57)	Wake	NC4092172	N/A	W	N/A	1	Wells	Yes	26	N/A	32	N/A
Rachel's Landing (Sub 28)	Gulford	NC3041080	N/A	W	N/A	1	Wells	Yes	20	N/A	20	N/A
Roadfern (Sub 24)	Davidson	NC3029003	WQ28647	W&S	N/A		Yes	70	68	77	77	
Satter's Haven (Sub 58)	Pender	N/A	WQ0040594	S	Majestic Oaks	0	N/A	N/A	N/A	168	N/A	310
Senter Road (Sub 40)	Wake	NC4092134	N/A	W	N/A	2	Wells	Yes	72	N/A	71	N/A

ONSWC PUBLIC REDACTED LATE-FILED EXHIBIT 1

W-1300 SUB 80

SERVICE AREAS												
For each subdivision or service area, list the following in alphabetical order.												
Name of Subdivision or Service Area (a)	County (b)	Water: DENR System Identification Number (c)	Sewer: NPODES or Non-discharge Permit No. (d)	Type of Service (W, S, or WAS) (e)	Master System Name (If Interconnected) (f)	Number of Wells in Service (g)	Source of Water Supply (Wells, Purchased, Other, or N/A) (h)	Is Water Service Mature? (Yes or No) (i)	Number of Service Customers at Year End - Water (j)	Number of Service Customers at Year End - Sewer (k)	Number of Customers That Can Be Served by Mains Installed - Water (l)	Number of Customers That Can Be Served by Mains Installed - Sewer (m)
Sitch (Sub 38)	Guilford	NC2041104	N/A	W	N/A	2	Wells	Yes	25	N/A	20	N/A
Spencer's Green (Sub 28)	Guilford	NC2041016	N/A	W	N/A	1	Wells	Yes	19	N/A	21	N/A
Statelike (Sub 18)	Chatham	N/A	W00036909	S	N/A	N/A	N/A	N/A	N/A	313	N/A	798
Starling Court (Sub 88)	Wake	NC0082145	N/A	W	Kemala Mills	0	Wells	Yes	10	N/A	N/A	N/A
Stonewood Manor (Sub 46)	Wake	NC0082179	N/A	W	N/A	2	Wells	Yes	54	N/A	80	N/A
Trichter Woods (Sub 58)	Wake	NC2041113	N/A	W	N/A	1	Wells	Yes	28	N/A	32	N/A
Trink Lake Farms (Sub 10)	Wake	NC0082386	N/A	W	N/A	2	Wells	Yes	22	N/A	24	N/A
Yarrow Place (Sub 7)	Wake	NC0082162	N/A	W	N/A	1	Wells	Yes	53	N/A	59	N/A
Woodhensons at Old Forest (Sub 29)	Guilford	NC2041002	N/A	W	N/A	2	Wells	Yes	55	N/A	54	N/A
Yardley (New Lgh) (Sub 54)	Wake	NC0082171	N/A	W	N/A	1	Wells	Yes	22	N/A	21	N/A
Yates Mills (Sub 7)	Wake	NC0082131	N/A	W	N/A	2	Wells	Yes	37	N/A	39	N/A

**WATER AND SEWER COMBINED BALANCE SHEET
ASSETS AND OTHER DEBITS**

W-1300 SUB 60

Line No.	Title of Account (a)	Balance at Beginning of Year (b)	Balance at End of Year (c)
	Utility plant		
1.	Utility plant (must agree with Page 12, Line 108, Columns (c) & (f))	38,698,905	39,077,132
2.	Accumulated provision for depreciation and amortization of utility plant	(5,717,441)	(7,101,136)
3.	Net utility plant (Line 1 minus Line 2)	32,981,464	31,975,996
4.	Utility plant acquisition adjustment	73,278	73,278
5.	Accumulated provision for amortization of acquisition adjustment	(72,057)	(82,616)
6.	Net utility plant acquisition adjustment (Line 4 minus Line 5)	1,221	(9,338)
7.	Total utility plant (Line 3 plus Line 6)	32,982,685	31,966,658
	Other Property and Investments		
8.	Nonutility property	3,273,951	6,397,986
9.	Accumulated provision for depreciation and amortization of nonutility property	-	-
10.	Other investments	16,705	14,502
11.	Special funds	-	-
12.	Total other property and investments	3,290,656	6,412,488
	Current Assets and Other Debits		
13.	Cash and working funds	414,585	17,399
14.	Temporary cash investments	-	-
15.	Notes receivable	-	-
16.	Customer accounts receivable	467,444	364,830
17.	Other accounts receivable	23	-
18.	Accumulated provisions for uncollectible accounts - Cr.	-	-
19.	Notes receivable from associated companies	5,000,000	5,657,246
20.	Accounts receivable from associated companies	655,143	-
21.	Materials and supplies	-	-
22.	Prepayments	222,788	90,697
23.	Other current and accrued assets	13,473	100
24.	Total current and accrued assets	6,773,456	6,130,272
	Deferred Debits		
25.	Unamortized debt discount and expense	-	-
26.	Extraordinary property losses	-	-
27.	Accumulated deferred income taxes	-	-
28.	Other deferred debits	138,533	252,557
29.	Total deferred debits	138,533	252,557
30.	Total assets and other debits (L7 + L12 + L24 + L29)	43,185,330	44,761,975

Remarks:

C

**WATER AND SEWER COMBINED BALANCE SHEET
CAPITAL, LIABILITIES, AND OTHER CREDITS**

Line No.	Title of Account (a)	Balance at Beginning of Year (b)	Balance at End of Year (c)
	Stockholders' Equity (if Corporation)		
1.	Common stock shares		-
2.	Paid-in capital		-
3.	Retained earnings		
4.	Other		
5.	Total common equity (Line 1 thru Line 4)		
6.	Preferred stock		
7.	Total stockholders' equity (Line 5 + Line 6)		
	OR		
8.	Proprietary Capital (if Partnership/Proprietorship) Total proprietary capital		
	Long-Term Debt		
9.	Bonds		
10.	Advances from associated companies		
11.	Other long-term debt		
12.	Total long-term debt		
	Current and Accrued Liabilities		
13.	Notes payable		
14.	Accounts payable		
15.	Customer deposits		
16.	Taxes accrued		
17.	Interest accrued		
18.	Other current and accrued liabilities		
19.	Total current and accrued liabilities		
	Deferred Credits		
20.	Unamortized premium on debt		
21.	Customer advances for construction		
22.	Other deferred credits		
23.	Total deferred credits		
	Operating Reserves		
24.	Property insurance reserve		
25.	Miscellaneous operating reserves		
26.	Total operating reserves		
	Contributions in Aid of Construction		
27.	Contributions in aid of construction		
28.	Accumulated amortization of contributions in aid of construction		
29.	Total contributions in aid of construction		
30.	Total liabilities and other credits (L12 + L19 + L23 + L26 + L29)		
31.	Total capital, liabilities, & other credits (L7 + L8 + L30)		

C

STATEMENT OF CASH FLOWS

W-1300 SUB 60

Line No.	Item	Water and Sewer Combined Operations
	Cash Flows from Operating Activities	
1.	Net income (must agree with Page 14, Line 30, Column (d))	
2.	Adjustments to reconcile net income to net cash provided by (used in) operating activities: Depreciation and amortization	
3.	Increase (decrease) in deferred taxes and investment tax credits - net	
4.	Allowance for funds used during construction (AFUDC)	
5.	Decrease (increase) in accounts receivable - net	
6.	Decrease (increase) in materials and supplies	
7.	Decrease (increase) in prepayments and other current and accrued assets	
8.	Decrease (increase) in other deferred debits	
9.	Increase (decrease) in accrued expenses and accounts payable	
10.	Increase (decrease) in other current and accrued liabilities	
11.	Increase (decrease) in other deferred credits	
12.	Other	
13.	Total adjustments (Sum of Lines 2 through 12)	
14.	Net cash provided by (used in) operating activities (Line 1 plus Line 13)	
	Cash Flows From Investing Activities	
15.	Purchases of utility plant	
16.	Proceeds from disposal of utility plant	
17.	Investments in and advances to affiliates	
18.	Repayments of advances by affiliates	
19.	Receipts of contributions in aid of construction (CIAC)	
20.	Other investing activities	
21.	Net cash provided by investing activities (Sum of Lines 15 through 20)	
	Cash Flows from Financing Activities	
22.	Decrease (increase) in short-term debt	
23.	Advances from affiliates	
24.	Repayment of advances from affiliates	
25.	Proceeds from issuing long-term debt	
26.	Repayment of long-term debt	
27.	Proceeds from issuing stock	
28.	Dividend paid	
29.	Other financing activities	
30.	Net cash provided by financing activities (Sum of Lines 22 through 29)	
31.	Net increase (decrease) in cash and cash equivalents (Line 14 + Line 21 + Line 30)	
32.	Cash and cash equivalents at beginning of year	
33.	Cash and cash equivalents at end of year (Line 31 + Line 32)	

WATER PLANT IN SERVICE (ACCOUNT 101)

W-1300 SUB 60

Line No.	Acct. No.	Account (a)	Depr. Rates (b)	Balance at Beginning of Year (c)	Plant Added (d)	Plant Retired (e)	Balance at End of Year (f)
INTANGIBLE PLANT							
1.	301.1	Organization	n/a	9,390.00	-	-	9,390
2.	302.1	Franchises					
3.	339.1	Other plant and miscellaneous equipment					
4.		Total intangible plant		9,390.00	-	-	9,390
SOURCE OF SUPPLY AND PUMPING PLANT							
5.	303.2	Land and land rights	n/a	60,340.00		840	59,500
6.	304.2	Structures and improvements	50 yr	1,827,518.50	13,112		1,840,628
7.	305.2	Collecting and impounding reservoirs					
8.	306.2	Lake, river, and other intakes					
9.	307.2	Wells and springs	50 yr	938,871.00	15,481		954,352
10.	308.2	Infiltration galleries and tunnels	10 yr	10,165.00	-	-	10,165
11.	309.2	Supply mains	50 yr	2,675,788.68	-	5,416	2,670,373
12.	310.2	Power generation equipment					
13.	311.2	Pumping equipment	10 yr	527,348.91	72,912		600,261
14.	339.2	Other plant and miscellaneous equipment	15 yr	594,467.01	-	-	594,467
15.		Total source of supply and pumping plant		6,634,497.10	95,249		6,729,746
WATER TREATMENT PLANT							
16.	303.3	Land and land rights					
17.	304.3	Structures and improvements					
18.	311.3	Pumping equipment	10 yr	40,599.74	5,740		46,340
19.	320.3	Water treatment equipment	20 yr	422,079.17	8,047		430,126
20.	339.3	Other plant and miscellaneous equipment					
21.		Total water treatment plant		462,678.91	13,787	-	476,466

7,215,602

ONSWC PUBLIC REDACTED LATE-FILED EXHIBIT 1

W-1300 SUB 60^{Page 9}

WATER PLANT IN SERVICE (ACCOUNT 101)

Line No.	Acct. No.	Account (a)	Depr. Rates (b)	Balance at Beginning of Year (c)	Plant Added (d)	Plant Retired (e)	Balance at End of Year (f)
TRANSMISSION AND DISTRIBUTION PLANT							
22.	303.4	Land and land rights	n/a	-			
23.	304.4	Structures and improvements	50 yr	1,779	1,448		3,227
24.	311.4	Pumping equipment	10 yr	14,918		3,523	11,395
25.	330.4	Distribution reservoirs and standpipes	50 yr	1,138,427	9,108		1,147,535
26.	331.4	Transmission and distribution mains	50 yr	1,560,629	27,642		1,588,271
27.	333.4	Services	50 yr	458,631	2,610		461,241
28.	334.4	Meters and meter installations	15 yr	209,720	8,251		217,971
29.	335.4	Hydrants		-			
30.	336.4	Backflow prevention devices		-			
31.	339.4	Other plant and miscellaneous equipment		-			
32.		Total transmission and distribution plant		3,384,102	49060.18	3522.57	3,429,640
GENERAL PLANT							
33.	303.5	Land and land rights		266,826	840		267,666
34.	304.5	Structures and improvements	60 yr	501,778	6,935		508,713
35.	340.5	Office furniture and equipment	5 yr	5,313		492	4,821
36.	341.5	Transportation equipment	5 yr	120,229	169,030		289,259
37.	342.5	Stores equipment		-			
38.	343.5	Tools, shop, and garage equipment	5 yr	8,679	14,832		23,511
39.	344.5	Laboratory equipment	5 yr	750	3,118		3,868
40.	345.5	Power operated equipment	15 yr	24,900	-		24,900
41.	346.5	Communication equipment	5 yr	22,987	-		22,987
42.	347.5	Miscellaneous equipment	15 yr	27,717		6,935	20,782
43.	348.5	Other tangible plant		-			
44.		Total general plant		979,180	194754.39	7426.89	1,166,507
45.		Total water plant in service		11,469,848			11,811,749

ONSWC PUBLIC REDACTED LATE-FILED EXHIBIT 1

W-1300 SUB 60 ^{Page 10}

SEWER PLANT IN SERVICE (ACCOUNT 101)

Line No.	Acct. No.	Account (a)	Depr. Rates (b)	Balance at Beginning of Year (c)	Plant Added (d)	Plant Retired (e)	Balance at End of Year (f)
INTANGIBLE PLANT							
46.	351.1	Organization	n/a	13,248	-	-	13,248
47.	352.1	Franchises	n/a	1,250	-	-	1,250
48.	389.1	Other plant and miscellaneous equipment		-			
49.		Total intangible plant		14,498	-	-	14,498
COLLECTION PLANT							
50.	353.2	Land and land rights	n/a	2,700	-	-	2,700
51.	354.2	Structures and improvements	50 yr	16,939	2,541	-	19,480
52.	355.2	Power generation equipment		-			
53.	360.2	Collection sewers - force	50 yr	3,452,843	-	1,017	3,451,826
54.	361.2	Collection sewers - gravity	50 yr	4,156,923	-	-	4,156,923
55.	362.2	Special collecting structures		-			
56.	363.2	Services to customers	50 yr	25,114	-	1,850	23,264
57.	364.2	Flow measuring devices	15 yr	16,398	-	-	16,398
58.	365.2	Flow measuring installations		-			
59.	389.2	Other plant and miscellaneous equipment		9,336	-	241	9,095
60.		Total collection plant		7,680,253	2,541	3,108	7,679,686
SYSTEM PUMPING PLANT							
61.	353.3	Land and land rights	n/a	-	-	-	-
62.	354.3	Structures and improvements	50 yr	123,243	11,310	-	134,553
63.	355.3	Power generation equipment		8,344	-	-	8,344
64.	370.3	Receiving wells	25 yr	12,082	-	12,082	-
65.	371.3	Pumping equipment	10 yr	5,088,417	42,325	-	5,130,742
66.	389.3	Other plant and miscellaneous equipment		-			
67.		Total system pumping plant		5,232,085	53,635	12,082	5,273,639

12,967,823

SEWER PLANT IN SERVICE (ACCOUNT 101)

W-1300 SUB 60

Line No.	Acct. No.	Account (a)	Depr. Rates (b)	Balance at Beginning of Year (c)	Plant Added (d)	Plant Retired (e)	Balance at End of Year (f)
TREATMENT AND DISPOSAL PLANT							
68.	353.4	Land and land rights		-			
69.	354.4	Structures and improvements	50 yr	6,457,769	80,620	86,151	6,452,238
70.	355.4	Power generation equipment	10 yr	32,345	-	-	32,345
71.	380.4	Treatment and disposal equipment	15 yr	562,769	43,288	-	606,057
72.	381.4	Plant sewers	20 yr	1,295	-	-	1,295
73.	382.4	Outfall sewer lines		11,094	-	-	11,094
74.	389.4	Other plant and miscellaneous equipment	15 yr	48,991	-	26,349	22,642
75.		Total treatment and disposal plant		7,114,263	123,908	112,500	7,125,671
RECLAIMED WATER TREATMENT PLANT							
76.	353.5	Land and land rights		-			
77.	354.5	Structures and improvements	50 yr	7,832	-	-	7,832
78.	355.5	Power generation equipment		-	-	-	-
79.	371.5	Pumping equipment		-	-	-	-
80.	374.5	Reuse distribution reservoirs	25 yr	2,616,575	-	-	2,616,575
81.	380.5	Treatment and disposal equipment	15 yr	254,188	5,826	-	260,014
82.	381.5	Plant sewers	20 yr	5,430	-	-	5,430
83.	389.5	Other plant and miscellaneous equipment	15 yr	164,292	-	-	164,292
84.		Total reclaimed water treatment plant		3,048,317	5,826	-	3,054,143
							10,179,814

SEWER PLANT IN SERVICE (ACCOUNT 101)

Line No.	Acct. No.	Account (a)	Depr. Rates (b)	Balance at Beginning of Year (c)	Plant Added (d)	Plant Retired (e)	Balance at End of Year (f)
		RECLAIMED WATER DISTRIBUTION PLANT					
85.	352.6	Franchises		-	-	-	-
86.	353.6	Land and land rights		-	-	-	-
87.	354.6	Structures and improvements	50 yr	25,118	1,002	-	26,120
88.	355.6	Power generation equipment		-	-	-	-
89.	366.6	Reuse services		-	9,439	-	9,439
90.	367.6	Reuse meters and meter installations	15 yr	86,398	-	21,920	64,478
91.	371.6	Pumping equipment	10 yr	8,602	25,208	-	33,810
92.	375.6	Reuse transmission and distribution system		4,950	20,557	-	25,507
93.	389.6	Other plant and miscellaneous equipment		-	-	-	-
94.		Total reclaimed water distribution plant		125,088	56,206	21,920	159,354
		GENERAL PLANT					
95.	353.7	Land and land rights	n/a	508,289	-	-	508,289
96.	354.7	Structures and improvements	50 yr	3,148,580	25,954	-	3,174,534
97.	390.7	Office furniture and equipment		7,706	1,028	-	8,734
98.	391.7	Transportation equipment	5 yr	232,522	-	89,237	143,285
99.	392.7	Stores equipment	5 yr	3,595	-	-	3,595
100.	393.7	Tools, shop, and garage equipment	5 yr	10,671	10,209	-	20,880
101.	394.7	Laboratory equipment	15 yr	26,308	10,016	-	36,324
102.	395.7	Power operated equipment	15 yr	2,389	-	-	2,389
103.	396.7	Communication equipment	5 yr	52,148	6,266	-	58,414
104.	397.7	Miscellaneous equipment	15 yr	20,416	-	20,416	-
105.	398.7	Other tangible plant	15 yr	1,948	-	-	1,948
106.		Total general plant		4,014,573	53,473	109,653	3,958,392
107.		Total sewer plant in service		27,229,057			27,265,383
108.		Total water and sewer plant in service		38,698,905			39,077,132

C

WATER AND SEWER COMBINED INCOME STATEMENT AND RETAINED EARNINGS STATEMENT

Line No.	Item (a)	Water (b)	Sewer (c)	Combined (d)
Utility Operating Income				
1.	Operating revenues ^{1/}			
Operating expenses:				
2.	Operation and maintenance expense ^{2/}			
3.	Depreciation expense			
4.	Amortization expense			
5.	Taxes other than income and franchise ^{3/}			
6.	Operating revenue deductions (Add Lines 2 - 5)			
7.	NCUC regulatory fee			
8.	Franchise (gross receipts) tax			
9.	Income taxes - State			
10.	Federal			
11.	Investment tax credit - net			
12.	Total operating expenses (Add Lines 6 - 11)			
13.	Income from utility plant leased to others			
14.	Utility operating income (Line 1 - Line 12 + Line 13)			
Other Income				
15.	Income from merchandise, job., & contract work - net			
16.	Nonoperating rental income			
17.	Interest and dividend income			
18.	Miscellaneous operating income			
19.	Total other income (Add Lines 15 - 18)			
20.	Total income (Line 14 + Line 19)			
Income Deductions				
21.	Other income deductions			
22.	Interest on long-term debt			
23.	Amortization of debt discount and expense			
24.	Amortization of premium on debt - Credit			
25.	Interest on debt to associated companies			
26.	Other interest expense			
27.	Interest charged to construction - Credit			
28.	Other (describe) -Settlement 2.1 M., Non Utility Depr 86k, and Legal 827k Bank Fee & Non Util 26k			
29.	Total income deductions (Add Lines 21 - 28)			
30.	Net income (Line 20 minus Line 29)			
Retained Earnings				
31.	Unappropriated retained earnings at beginning of year			
Credits:				
32.	Balance transferred from income			
33.	Miscellaneous credits to retained earnings			
Debits:				
34.	Miscellaneous debits to retained earnings			
35.	Appropriations of retained earnings			
36.	Dividends declared - preferred			
37.	Dividends declared - common			
38.	Unappropriated retained earnings at end of year (Sum of Lines 31 through 37)			

1/ Reference to Page 15, Line 22 for water operations and Page 17, Line 26 for sewer operations.
 2/ Reference to Page 16, Line 28 for water operations and Page 18, Line 28 for sewer operations.
 3/ Reference to Page 15, Line 5, Columns (b), (c), and (d).

**SCHEDULE OF TAXES OTHER THAN INCOME AND FRANCHISE W-1300 SUB 60
AMENDED**

Line No.	Item (a)	Water (b)	Sewer (c)	Total (d)
1.	Property	3,100	6,543	9,643
2.	Payroll	16,505	34,834	51,339
3.	Intangibles			0
4.	Other (explain) - Permit & Reg Asses Fees	10,302	21,740	32,042
5.	Totals	29,907	63,117	93,024

WATER OPERATING REVENUES (ACCOUNT 400)

Line No.	Acct. No.	Account (a)	Amount For Current Year (b)	Number of Customers		Gallons of Water Sold (in Thousands) (e)
				Beginning of Year (c)	End of Year (d)	
1.	460	Sales of Water Unmetered water revenues		0		
2.	461.1	Residential - metered	1336422	1871	1965	127052
3.	461.2	Commercial - metered		0		
4.	461.3	Industrial - metered		0		
5.	461.4	Public authorities - metered		0		
6.	461.5	Multiple family dwellings - metered		0		
7.		Total sales to general customers	1336422	1871	1965	127052
8.	462.1	Public fire protection		0		
9.	462.2	Private fire protection		0		
10.	464	Other sales to public authorities		0		
11.	465	Sales to irrigation customers		0		
12.	466	Sales for resale		0		
13.	467	Interdepartmental sales		0		
14.		Total sales of water		0		
15.	469	Other Operating Revenues Guaranteed revenues (including revenues from availability rates)		0		
16.	470	Forfeited discounts		0		
17.	471	Miscellaneous service revenues		0		
18.	472	Rents from water property		0		
19.	473	Interdepartmental rents		0		
20.	474	Other water revenues (Itemize on Page 19)	7015	0		
21.		Total other operating revenues	7015	0		
22.	400	Total operating revenues	1343437	1871	1965	127052

C

WATER OPERATION AND MAINTENANCE EXPENSES

Page 16
W-1300 SUB 80

Line No.	Acct. No.	Account	Amount
1.	601	Salaries and wages - employees	\$
2.	603	Salaries and wages - officers, directors, and majority stockholders	
3.	604	Employee pensions and benefits	\$
4.	610	Purchased water	\$
5.	615	Purchased power	\$
6.	616	Fuel for power production	\$
7.	618	Chemicals	\$
8.	620	Materials and supplies	\$
9.	631	Contractual services - engineering	\$
10.	632	Contractual services - accounting	\$
11.	633	Contractual services - legal	\$
12.	634	Contractual services - management fees	\$
13.	635	Contractual services - testing	\$
14.	636	Contractual services - other	\$
15.	641	Rental of building / real property	
16.	642	Rental of equipment	\$
17.	650	Transportation equipment	\$
18.	656	Insurance - vehicle	\$
19.	657	Insurance - general liability	\$
20.	658	Insurance - worker's compensation	\$
21.	659	Insurance - other	
22.	660	Advertising expense	
23.	666	Regulatory commission expenses - amortization of rate case expense	
24.	667	Regulatory commission expenses - other	
25.	668	Water resource conservation expense	
26.	670	Bad debt expense	\$
27.	675	Miscellaneous expense (Itemize on Page 19)	\$
28.		Total water operation and maintenance expenses	\$

WATER PRODUCTION

	<u>Total During Year</u>	<u>During Peak Month of Year</u>
1. Total gallons pumped from own wells	_____	_____
2. Total gallons purchased from others	_____	_____
3. If water purchased, list from whom	_____	_____
4. Name of peak month of water production	_____	_____

SEWER OPERATING REVENUES

Line No.	Acct. No.	Account (a)	Number of Customers		Revenue Amounts (d)
			Beginning of Year (b)	End of Year (c)	
		Sewer Service Revenues			
1.	521.1	Residential - flat rate	4,054	4,122	2,080,590
2.	521.2	Commercial - flat rate	22	25	97,892
3.	521.3	Industrial - flat rate	-		
4.	521.4	Public authorities - flat rate	-		
5.	521.5	Multiple family dwellings - flat rate	-		
6.	521.6	Other revenues - flat rate	-		
7.	522.1	Residential - measured	77	-	48,909
8.	522.2	Commercial - measured	-		
9.	522.3	Industrial - measured	-		
10.	522.4	Public authorities - measured	-		
11.	522.5	Multiple family dwellings - measured	-		
12.	523	Revenues from public authorities	-		
13.	524	Revenues from other systems	-		
14.	525	Interdepartmental rents	-		
15.		Total sewer service revenues	4,153	4,147	2,227,391
		Other Operating Revenues			
16.	530	Guaranteed revenues (including revenues from availability rates)			
17.	531	Sale of sludge			
18.	532	Forfeited discounts			
19.	534	Rents from wastewater property			264
20.	535	Interdepartmental rents			
21.	536	Other sewer revenues (Itemize on Page 20)			5,548
22.	540	Flat rate reuse revenues			
23.	541	Measured reuse revenues			
24.	544	Reuse revenues from other systems			
25.		Total other operating revenues			5,812
26.		Total sewer operating revenues (Line 15 plus Line 25)			2,233,203

C

SEWER OPERATION AND MAINTENANCE EXPENSES

Line No.	Acct. No.	Account	Amount
1.	701	Salaries and wages - employees	\$
2.	703	Salaries and wages - officers, directors, and majority stockholders	
3.	704	Employee pensions and benefits	\$
4.	710	Purchased wastewater treatment	\$
5.	711	Sludge removal expense	\$
6.	715	Purchased power	\$
7.	716	Fuel for power production	\$
8.	718	Chemicals	\$
9.	720	Materials and supplies	\$
10.	731	Contractual services - engineering	\$
11.	732	Contractual services - accounting	\$
12.	733	Contractual services - legal	\$
13.	734	Contractual services - management fees	\$
14.	735	Contractual services - testing	\$
15.	736	Contractual services - other	\$
16.	741	Rental of building / real property	
17.	742	Rental of equipment	\$
18.	750	Transportation equipment	\$
19.	756	Insurance - vehicle	\$
20.	757	Insurance - general liability	\$
21.	758	Insurance - worker's compensation	\$
22.	759	Insurance - other	
23.	760	Advertising expense	
24.	766	Regulatory commission expenses - amortization of rate case expense	
25.	767	Regulatory commission expenses - other	
26.	770	Bad debt expense	\$
27.	775	Miscellaneous expense (Itemize on Page 20)	\$
28.		Total sewer operation and maintenance expenses	\$

Account 474 - Other Water Revenues

For each category greater than \$500, provide a description of the category and the amount. For each category that is \$500 or less, provide a listing of such categories on one line and provide one aggregate amount for all such categories.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1.	<u>New Customer Fees</u>	<u>3840</u>
2.	<u>Returned Check fee</u>	<u>477</u>
3.	<u>Late Fee</u>	<u>1668</u>
4.	<u>Change/Connect/Disconnect Service</u>	<u>1030</u>
5.	<u> </u>	<u> </u>
6.	<u> </u>	<u> </u>
7.	<u> </u>	<u> </u>
8.	<u> </u>	<u> </u>
9.	<u> </u>	<u> </u>
10.	<u> </u>	<u> </u>
11.	<u>Total other water revenues (Account 474)</u>	<u>7015 1/</u>

Account 675 - Miscellaneous Expenses

For each category greater than \$500, provide a description of the category and the amount. For each category that is \$500 or less, provide a listing of such categories on one line and provide one aggregate amount for all such categories.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1.	<u>Communication</u>	<u>7,335</u>
2.	<u>Office Expense</u>	<u>5,579</u>
3.	<u>Meals</u>	<u>662</u>
4.	<u>Travel</u>	<u>10,135</u>
5.	<u>Computer</u>	<u>2,250</u>
6.	<u>Moving</u>	<u>177</u>
7.	<u>GIS Expense</u>	<u>5,574</u>
8.	<u>Postage</u>	<u>774</u>
9.	<u>Bank Fees</u>	<u>343</u>
10.	<u>Materials</u>	<u>418</u>
11.	<u>Dues</u>	<u>312</u>
12.	<u>Professional Development</u>	<u>499</u>
13.	<u>Locating Expense</u>	<u>1,836</u>
14.	<u>Total miscellaneous expenses (Account 675)</u>	<u>35,894 2/</u>

1/ Reference to Page 15, Line 20.

2/ Reference to Page 16, Line 27.

DETAIL OF CERTAIN SEWER ACCOUNTS

Account 536 - Other Sewer Revenues

For each category greater than \$500, provide a description of the category and the amount. For each category that is \$500 or less, provide a listing of such categories on one line and provide one aggregate amount for all such categories.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1.	Late Fees	723
2.	New Customer Fee	4,120.00
3.	Returned Check Fee	705.00
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.	Total other sewer revenues (Account 536)	5,548.00

Account 775 - Miscellaneous Expenses

For each category greater than \$500, provide a description of the category and the amount. For each category that is \$500 or less, provide a listing of such categories on one line and provide one aggregate amount for all such categories.

<u>Line No.</u>	<u>Description</u>	<u>Amount</u>
1.	Communication	15,480
2.	Office Expense	11,774
3.	Meals	1,398
4.	Travel	21,389
5.	Computer	4,749
6.	Moving	373
7.	GIS Expense	11,764
8.	Postage	1,634
9.	Bank Fees	724
10.	Materials	884
11.	Dues	658
12.	Professional Development	1,053
13.	Locating Expense	3,875
14.	Total miscellaneous expenses (Account 775)	75,754 2/

- 1/ Reference to Page 17, Line 21.
- 2/ Reference to Page 18, Line 27.

ONSWC PUBLIC REDACTED LATE-FILED EXHIBIT 1
W-1300 SUB 60

MONTHLY BILLING DATA

W-1300 SUB 60

Line No.	Month (a)	Water Operations			Sewer Operations		
		Flat Rate Customers (b)	Metered Customers (c)	Gallons Sold To Metered Customers (d)	Flat Rate Customers (e)	Metered Customers (f)	Gallons Sold To Metered Customers (g)
1.	January		1,717	6,919,104	4,032		
2.	February		1,727	6,789,907	4,048		
3.	March		1,741	6,590,263	4,058		
4.	April		1,777	8,020,940	4,042		
5.	May		1,778	9,423,981	4,077		
6.	June		1,818	11,378,920	4,092		
7.	July		1,804	13,687,723	4,056		
8.	August		1,806	12,343,052	4,040		
9.	September		1,816	11,998,400	4,009		
10.	October		1,816	10,798,560	4,009		
11.	November		1,816	9,118,704	4,029		
12.	December		2,039	9,232,769	4,232		
13.	Totals for the year	-	21,855	116,302,323	48,722	-	-

INVESTMENT IN WATER/SEWER UTILITY SYSTEM

For the Year Ended December 31, 2022

Line No.	Item (a)	Water (b)	Sewer (c)	Combined (d)
1.	Original cost of system(s)			-
2.	Actual cost of all additions to system(s) since original construction			-
3.	Total cost of system(s) to date (L1 plus L2)	-	-	39,150,402
4.	Accumulated depreciation			7,183,744
5.	Net cost of system(s) (L3 minus L4)	-	-	31,966,658
6.	Cost of plant additions during this 12-month reporting period			-
	Contributions in aid of construction (CIAC) (excluding gross-up) received during this 12-month reporting period			
7.	Connection or tap fees	661,498	3,098,115	3,759,613
8.	Capacity fees			-
9.	Meter installation fees	110,833		110,833
10.	Cash contributions from a developer used by a utility to construct plant			-
11.	Utility plant installed or paid for by the contributor and then conveyed by the contributor to the utility			-
12.	Land conveyed by the contributor to the utility			-
13.	Total CIAC (excluding gross-up) received during this 12-month reporting period (Sum of L7 thru L12)	772,331	3,098,115	3,870,446
14.	Cumulative CIAC received (excluding gross-up)	8,445,932	21,152,292	29,598,224
15.	Taxes collected on CIAC during this 12-month reporting period	96,351	691,545	787,896
16.	Cumulative tax collected on CIAC			-
17.	Taxes paid on CIAC collected during the previous 12-month reporting period			-
18.	Cumulative tax paid on CIAC			-
<p>IMPORTANT: CIAC are generally defined in the National Association of Regulatory Commissioners (NARUC) Uniform System of Accounts as money, services, or property received by the utility company from customers, developers, or any other source at no cost to the utility company which offsets the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment to be used to provide utility service. Tap-on fees and meter installation fees are forms of CIAC.</p>				

REGULATORY FEE RECONCILIATION

Line No.	Item	Amount
	Regulatory Fee Reports	
1.	Regulatory fee report for quarter ended March 31, Line 1	780,781
2.	Regulatory fee report for quarter ended June 30, Line 1	875,788
3.	Regulatory fee report for quarter ended September 30, Line 1	996,268
4.	Regulatory fee report for quarter ended December 31, Line 1	926,482
5.	Total NC jurisdictional revenues for the year reported on regulatory fee reports (Sum of Lines 1 through 4)	3,579,319
6.	Total operating revenues [Page 14, Line 1, Column (d)]	3,576,640
7.	Difference between regulatory fee reports and Annual Report (Line 5 minus Line 6)	2,679
	Explanation of Difference(s) (Include a brief written description of each difference)	
8.	The difference is the adjustment for water Revenues to the reviewed financial statements	2,679
9.		
10.		
11.		
12.	Total difference(s) (Sum of Lines 8 through 11 - Should be equal to Line 7)	2,679

BOND INFORMATION

(Note: If more lines are needed for additional bonds, attach supplementary sheets.)

For each bond (certificate of deposit, letter of credit, etc.) posted, list the following:

Line No.	Form of Bond (CD, Letter of Credit, or Surety)	Issuer of Surety	Amount of Bond	Is the Bond Still in Effect?	Date of Next Renewal
1.	Letter of Credit	BNY Mellon	1,000,000	Yes	3/31/2024
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
12.					
13.					
14.					
15.					
16.					
17.					
18.					

Signature and Title: _____ Date: _____

I declare under penalty of perjury that the foregoing is true and correct.

IMPORTANT: Rule R7-37(g) and Rule R10-24(g) require water and sewer companies to attach a separate electronically filed notarized statement which is electronically signed under penalty of perjury to its Annual Report stating the amount of each bond, whether the bond is still in effect, and the date of next renewal. Completion of the above meets this requirement.

DESCRIPTION OF WATER PROPERTY IN SERVICE BY SYSTEM											
Provide the following information for each water system listed in alphabetical order by system name. Please repeat the system name on each line, as needed.											
System Name (a)	Master System Name (if Interconnected) (b)	Description of Wells in Service (c)	Well Pumping Capacity (gpm) (d)	Treatment of Water (e)	Storage Tank Description (f)	Volume of Storage Tank (Gallons) (g)	Diameter of Mains (h)	Length of Mains (LF) (i)	Size of Meters (j)	Number of Meters in Use (k)	Number of Service Connections (l)
Arlington Manor S/D (Hwy 42) (Sub 61)		1 Well	25	CL2	Hydropneumatic	5,000	4		6/8" x 3/4"	21	20
Ashcroft Park (Sub 39)	N/A	2	96	CL2	Hydropneumatic	5,000	2 & 4	6,160	5/8" x 3/4"	68	69
Ashboro County Club (Sub 26)	N/A	1 Well	14.5	CL2 Soft	Hydropneumatic	7,000	4"		5/8" x 3/4"	11	26
Autumn Ridge (Sub 48)	N/A	1 Well	38	CL2	Hydropneumatic	5,000	2&4	980	5/8" x 3/4"	19	22
Avalyn (Sub 35)	N/A	1	66	CL2/OP 37	Hydropneumatic	5,000	6	2,700	5/8" x 3/4"	29	30
Bailey Farms (Sub 37)	N/A	1 Well	145	Cl2	Hydropneumatic	5,000	4" & 6"	4,255	5/8" x 3/4"	73	72
Baileys at Glenmoor (Sub 23)	N/A	1 Well	23	Cl2, OP 37	Hydropneumatic	5,000	4"	1,800	5/8" x 3/4"	24	23
Bella Terra (Sub 67)	Bella Vista	1 Well	58	Cl2 & poly	Hydropneumatic	5,000	6 & 4		5/8" x 3/4"	22	18
Bella Vista (Sub 14)	N/A	2 Well	102	Cl2 & poly	Hydropneumatic	5,000	2, 4 & 6	7,588	5/8" x 3/4"	57	66
Bingham Woods MHP (Sub 46)	N/A	2		CL2 & Greensand	Hydropneumatic	5,000	2		5/8" x 3/4"	79	75
Blanney Farms (Sub 7)	N/A	1 Well	25	Cl2	Hydropneumatic	8,000	4" and 6"	5,685	5/8" x 3/4"	32	34
Blanney South (Sub 25)	Blanney Farms	1 Well	50	Cl2/OP 37	N/A	N/A	2, 4 & 6		5/8" x 3/4"	62	52
Blawell S/D (Maxwell) (Sub 31)	Purchased	N/A	N/A	N/A	N/A	N/A			5/8" x 3/4"	39	38
Brook Meadow (Sub 58)	N/A	1	25	CL2	Hydropneumatic	2,000	4	1,840	5/8" x 3/4"	14	12
Cadence	Ashcroft Park	2	65	CL2	Hydropneumatic	5,000	4	3,281	5/8" x 3/4"	0	92
Camberly (Sub 43)	N/A	4	85	2, Greensand, Radf	Hydropneumatic	5,000	2, 4 & 6		5/8" x 3/4"	78	72
Carriage Cove (Sub 53)	N/A	2		CL2	Hydropneumatic	5,000	4 & 6		5/8" x 3/4"	10	53
Carriage Way (Sub 28)	N/A	3 Wells	30	CL2/OP 37	Hydropneumatic	1,000			5/8" x 3/4"	22	20
Dogwood Acres (Sub 50)	N/A	1	N/A	N/A	Hydropneumatic	N/A	2		5/8" x 3/4"	29	30
Ethans Meadows (Sub 22)	N/A	1 Well	8	Cl2	Hydropneumatic	5,000	4"	2,280	5/8" x 3/4"	20	20
Fish Hawk Ranch (Sub 65)	N/A	2	74	CL2, Greensand	Hydropneumatic	5,000	4		5/8" x 3/4"	77	70
Jackson Manor (Sub 18)	N/A	2 Well	60	Cl2	Hydropneumatic	6,000	4 & 2	5,000	5/8" x 3/4"	70	71
Kanata Mills (Camp Kanata) (Sub 27)	N/A	1 Well	150	Cl2, OP 37	Hydropneumatic	5,000	6 & 2	4,085	5/8" x 3/4"	131	128
Kensington Place (Sub 26)	N/A	1 Well	17	CL2/OP 37	Hydropneumatic	5,400	4 & 2	1,950	5/8" x 3/4"	24	24
Kingston Manor (Sub 13)	N/A	1 Well	25	Cl2, Greensand	Hydropneumatic	5,000	6"	3,660	5/8" x 3/4"	38	37
Knight's Landing (Sub 16)	N/A	2 Well	70	Cl2	Hydropneumatic	5,400	4 & 2	5,675	5/8" x 3/4"	44	77
Leone Landing (Sub 4)	N/A	1 Well	88	Chlorine	Hydropneumatic	2,000	6 inches	3,890	5/8" x 3/4"	34	47
Meadow Lake (Donnybrook) (Sub 32)	N/A	1	50	CL2/OP 37	Hydropneumatic	5,000	2 & 4"	4,200	5/8" x 3/4"	40	48
Mendenhall (Sub 44)	N/A	1	42	CL2	Hydropneumatic	5,001	4 & 2	5,327	5/8" x 3/4"	48	50
Mornington (Sub 21)	N/A	3 Well	160	Cl2	Hydropneumatic	8,000	4"	7,650	5/8" x 3/4"	62	150
Olde Mill Trace (Sub 34)	N/A	2	104	Cl2	Hydropneumatic	7,500	2, 4 & 6	13,080	5/8" x 3/4"	164	155
Parkers Gate	Bailey Farms	2	145	CL2	Hydropneumatic	5,000	4	7,850	5/8" x 3/4"	0	49
Prescott (Sub 57)	N/A	1	75	CL2, Uranium	Hydropneumatic	7,500	6 & 4	4,100	5/8" x 3/4"	33	31
Rachel's Landing (Sub 26)	N/A	1 Well	20	CL2/OP 37	Hydropneumatic	5,000	8 & 6		5/8" x 3/4"	20	20
Rocklyn (Sub 24) Purchase W&S	Purchased	N/A	N/A	N/A	N/A	N/A	8 & 6	3,314	5/8" x 3/4"	84	69
Senter Road (Sub 40)	Blanney Farms	2	62	Cl2	N/A	N/A	2, 4 & 6	6,325	5/8" x 3/4"	71	72

DESCRIPTION OF WATER PROPERTY IN SERVICE BY SYSTEM											
Provide the following information for each water system listed in alphabetical order by system name. Please repeat the system name on each line, as needed.											
System Name (a)	Master System Name (if Interconnected) (b)	Description of Wells In Service (c)	Well Pumping Capacity (gpm) (d)	Treatment of Water (e)	Storage Tank Description (f)	Volume of Storage Tank (Gallons) (g)	Diameter of Mains (h)	Length of Mains (LF) (i)	Size of Meters (j)	Number of Meters in Use (k)	Number of Service Connections (l)
Shiloh (Sub 38)	N/A	2	100	CL2	Hydropneumatic	5,000	2' & 4"	4480	5/8" x 3/4"	43	63
Spencer's Grove (Sub 26)	N/A	2 Wells	62	CL2	Hydropneumatic	6,000			5/8" x 3/4"	23	23
Sterling Crest (Sub 49)	Kanata Mills	N/A	N/A	N/A	N/A	N/A	4		5/8" x 3/4"	0	10
Stonewood Manor (Sub 45)	N/A	2	131	CL2, OP 37	Hydropneumatic	5,000	6.3.2	7,106	5/8" x 3/4"	61	54
Thatcher Woods (Sub 59)	N/A	1	43	CL2	Hydropneumatic	5,000	4 & 2"	2,939	5/8" x 3/4"	31	32
Twin Lake Farms (Sub 10)	N/A	2 Well	112	CL2, Greensand	Hydropneumatic	8,000			5/8" x 3/4"	82	84
Vernon Place (Sub 17)	N/A	1 Well	60	CL2/OP 37	Hydropneumatic	2,000	2' & 4"	2,600	5/8" x 3/4"	24	26
Weatherstone at Old Forest (Sub 26)	N/A	1 Well	40	CL2	Hydropneumatic	6,500			5/8" x 3/4"	67	67
Yardley (New Light) (Sub 54)	N/A	1	16	CL2, OP 37	Hydropneumatic	5,000			5/8" x 3/4"	22	22
Yates Mills (Sub 7)	N/A	2 Well	75/12	CL2/OP 37	Hydropneumatic	5,000	4 and 6"	6,138	5/8" x 3/4"	57	59

ONSWC PUBLIC REDACTED LATE-FILED EXHIBIT 2

Old North State Water Company
 Docket No. W-1300, Sub 60
 Comparison of Accounting Review Financials and Amended Annual Report
 Financials

W-1300 SUB 60

CONFIDENTIAL

Line No.	Item	Original 2022 Annual Report	Amended 2022 Annual Report (1)	Accounting Review Financials	Amended Variance	% Variance	Annual Report page ref
1.	Operating Revenues - water						
2.	Operating Revenues - sewer						
3.	Total operating expenses						
4.	Total utility plant/ PP&E (net)						
5.	Notes receivable from assoc. co. P Due from affiliates						
6.	Accounts receivable from associated companies						
7.	Prepayments/ prepaid expenses						
8.	Long term debt/long term liabilities						
9.	Total current and accrued liabilities/ Total current liabilities						
10.	Total capital, liabilities, other credits/Total shareholder equity, liabilities, and other credits						
11.	Net income/ Net loss						

Explanations:

- (1) Immaterial variance adjusted to reviewed financials
- (2) Immaterial variance adjusted to reviewed financials
- (3) Amended variance reflects removal of legal fees (\$827k), non-utility depreciation (\$88k), and bank charges (\$26k) from water or sewer operating expenses; see Table 2, note 3
- (4) Immaterial variance adjusted to reviewed financials
- (5) Variances are amounts due from Chatham North (CN) & CN Holding. The annual report shows the amount on a separate line, whereas the reviewed financials show this amount plus the \$5m note combined.
- (6) \$857, 248 of the variance is due from CN and CNH as noted above.
- (7) Prepaid balance was incorrect in the original submission; The amended report has been updated to the correct balance as shown in the reviewed financials.
- (8) The full amount of the variance was entered incorrectly on the annual report as notes payable (page 6, line 13); should have been entered as advances from assoc companies (line 10)
- (9) Refer to note 8; The annual report has been updated to the correct balance as shown on the reviewed financials.
- (10) The annual report has been updated to the correct balance as shown on the reviewed financials.
- (11) The prior annual report excluded costs in ONSWC corp cost center - lawsuit settlement (\$2,160k), legal fees (\$827k), non-utility depreciation(\$88k), bank charges(\$26k). Amended annual report reflects correct amount.

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ONSWC PUBLIC REDACTED LATE-FILED EXHIBIT 2

W-1300 SUB 60

Old North State Water Company
 Docket No. W-1300, Sub 60
 Comparison of Accounting Review Financials and Annual Report Financials

C

CONFIDENTIAL

Line No.	Item	2022 Annual Report	Accounting Review Financials	Variance	Note Below
1	Operating Revenues - water				
2	Operating Revenues - sewer				
3	Total operating expenses				
4	Total utility plant/ PP&E (net)				
5	Notes receivable from assoc. co / Due from affiliates				
6	Accounts receivable from associated companies				
7	Prepayments/ prepaid expenses				
8	Long term debt/long term liabilities				
9	Total current and accrued liabilities/ Total current liabilities				
10	Total capital, liabilities, other credits/Total shareholder equity, liabilities, and other credits				
11	Net income/ Net loss				

Explanations of Variance

- (1) The annual report will be updated to the reviewed financials
- (2) The annual report will be updated to the reviewed financials
- (3) The operating expense variance are expenses in ONSWC corp cost center that was not allocated to the segment (water/sewer) income statement presentation on the annual report. See expense breakdown below
- (4) The annual report will be updated to the reviewed financials
- (5) The variance of \$657,246 are amounts due from Chatham North (CN) & CN Holdings (CNH). The annual report shows this amount in a separate line, whereas the reviewed financials show this amount plus the \$5m note combined.
- (6) \$657,246 of the variance is due from CN and CNH as noted in note 5. The annual report shows the notes receivable and accounts receivable from associated companies on separate lines (page 5).
- (7) Prepaid balance was incorrect. The annual report will be updated to the reviewed financials.
- (8) The full amount of the variance was entered incorrectly on the annual report as notes payable (page 6, line 13); should have been entered as advances from assoc companies (line 10); see screenshot of page below.
- (9) Refer to note 8. The annual report will be updated to the reviewed financials. See screenshot of page below
- (10) The annual report will be updated to the reviewed financials
- (11) The net income variance is comprised of expenses in ONSWC corp cost center that was not allocated to the segment income statement presentation on the annual report. See expense breakdown below.

screenshot of annual report for notes 8 & 9

Breakdown of note 3 & 11 variances

	Note 3	Note 11
Legal fees (litigation support)		
Depreciation expense		
Other taxes (NC state tax)		
Bank charges		
Law suit settlement		
Total variance		

9	Long-Term Debt
	Bonds
10	Advances from associated companies
11	Other long-term debt
12	Total long-term debt
13	Current and Accrued Liabilities
	Notes payable

Old North State
Water Company



W-1300 SUB 60

Po Box 10127
Birmingham, AL 35202-0127
Toll Free: 877-511-2911 Local: 205-326-3200

November 17, 2023

Ms. A. Shonta Dunston
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street
Raleigh, NC 27603

**RE: *In the Matter of Application of Old North State Water Company, Inc.
for Authority to Adjust and Increase Rates for Water Utility Service
in All Its Service Areas in NC
Docket No. W-1300, Sub 60
Late-Filed Letter Filing Per Commission Request on October 9, 2023***

Dear Ms. Dunston:

On behalf of Old North State Water Company, Inc. (ONSWC), I am writing to respond to the requests of the Commission made at the October 9, 2023, hearing in this docket to address two issues.

First, please accept this letter as confirmation that the source of the preferred dividend paid (see Tr. Vol. 5, p. 49) was Chatham North Holdings, Inc. Reference to ONSWC McDonald Mitchell Confidential Redirect Exhibit 2 will confirm that this entity is neither a subsidiary nor a parent company of ONSWC.

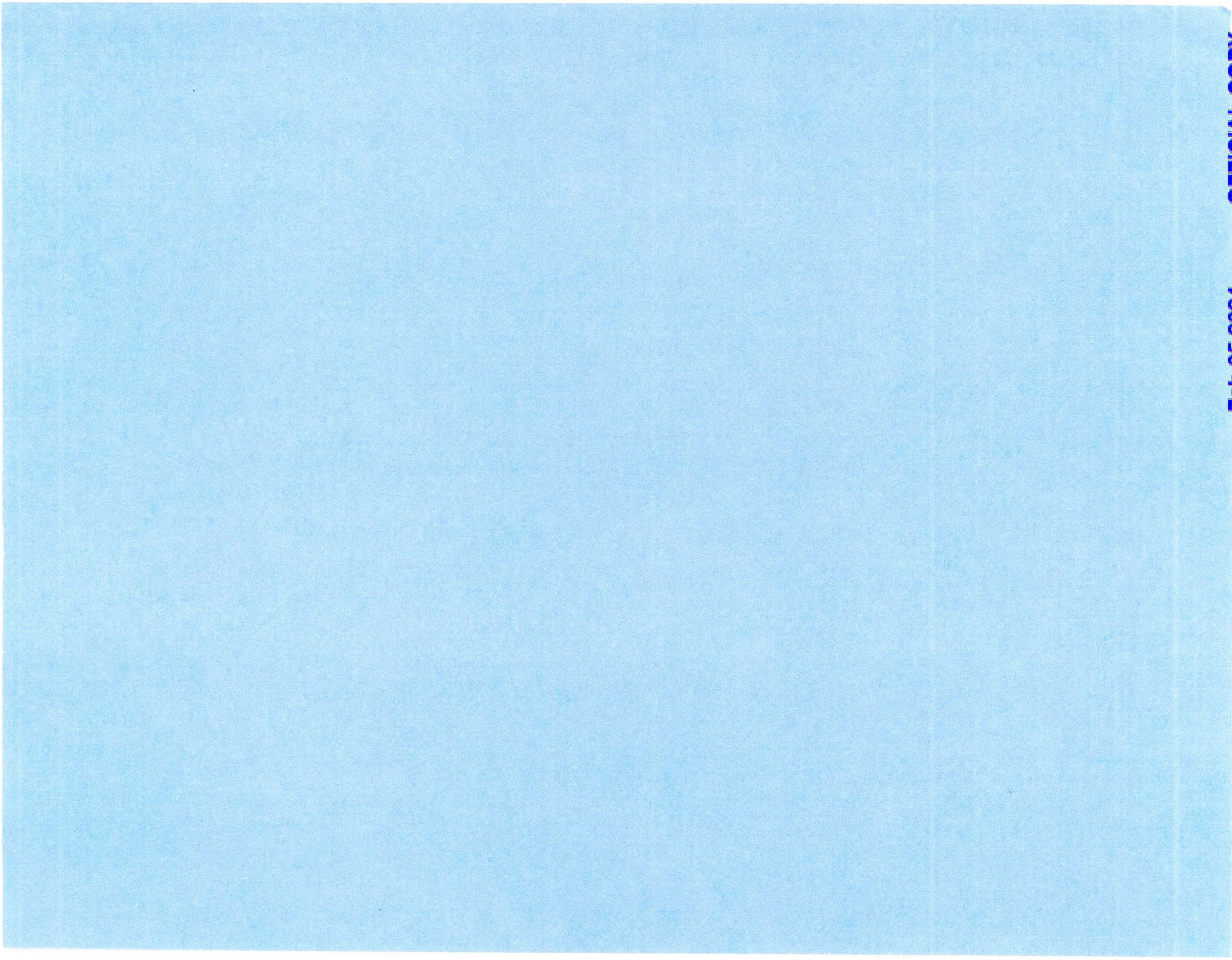
Second, I have confirmed that Chatham North Holdings, Inc., provided a security interest in all of its assets to Old North State as part of the transaction. A copy of that document is attached hereto as **ONSWC Late-Filed Letter Confidential Exhibit 1**. Chatham North Holdings, Inc., has no assets of any current value except the force main and related property that are the subject of ONSWC's security interest.

Sincerely,



John McDonald

Old North Water Company, LLC



Feb 05 2024

OFFICIAL COPY

ONSWC PUBLIC REDATED EXHIBIT 1 TO ONSWC PUBLIC REDATED EXHIBIT 3, 11-17-2023 LETTER FROM JOHN MCDONALD
TO 11-17-2023 LETTER FROM J. MCDONALD
W-1300 SUB 60

INTERCOMPANY LOAN AND SECURITY AGREEMENT

C

OFFICIAL COPY

Feb 05 2024

ONSWC PUBLIC REDATED EXHIBIT 1 TO ONSWC PUBLIC REDATED EXHIBIT 3, 11-17-2023 LETTER FROM JOHN MCDONALD

C

TO 11-17-2023 LETTER FROM J. MCDONALD
W-1300 SUB 60

Exhibit A – INTERCOMPANY PROMISSORY NOTE

December 4th, 2020