

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 69
DOCKET NO. W-1305, SUB 29

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Joint Application by Pluris Hampstead, LLC,)	
for Authority to Acquire the Sewer Utility)	
Systems Serving Majestic Oaks and)	ORDER ACCEPTING NOTICE
Hampstead Shopping Center, Forest Sound)	OF DECOMMISSIONING,
(formerly Southside Commons and formerly)	RELEASING CASH BOND,
Grey Bull), Majestic Oaks West, and Salter's)	AND INCREASING
Haven at Lea Marina in Pender County,)	UNASSIGNED BOND
North Carolina, from Old North State Water)	
Company, Inc., and Approval of Rates)	

BY THE COMMISSION: On May 19, 2023, in the above-captioned dockets, the Commission issued an Order Approving Stipulation, Approving Transfer, Granting Franchises, Approving Rates, and Requiring Customer Notice (Transfer Order). The Transfer Order approves the transfer of the wastewater utility franchises and assets necessary for providing wastewater utility service in a service area consisting of the real estate developments commonly known as Majestic Oaks, Majestic Oaks West, Forest Sound (formerly Southside Commons and formerly Grey Bull), and Salter's Haven at Lea Marina in Pender County, North Carolina (collectively called Majestic Oaks), from Old North State Water Company, Inc. (ONSWC), to Pluris Hampstead, LLC (Pluris Hampstead). The Transfer Order in Decretal Paragraph 10 provides:

That after closing of the sale of the subject ONSWC assets to Pluris, and within the time specified below: (a) ONSWC shall decommission the Majestic Oaks WWTP. Such decommissioning of the Majestic Oaks WWTP shall include, but not necessarily be limited to: (i) removal of the Majestic Oaks WWTP; (ii) removal of all fences, and (iii) leveling and placing seed with straw cover over the two ponds on the Majestic Oaks WWTP site; and (b) For the infiltration pond located on Majestic Oaks Drive on land owned by the Majestic Oaks Property Owners Association ONSWC shall: (i) totally remove the fence around the existing infiltration pond; (ii) remove the dam or pond walls; (iii) level the pond site; (iv) create positive drainage to the easterly ditch, and (v) place seed with straw cover over the infiltration pond site;

Further, the Transfer Order in decretal paragraph 14 provides:

That ONSWC shall notify the Commission when the decommissioning of the Majestic Oaks WWTP, infiltration pond, and related activities specified herein has been completed by making a filing in these dockets upon completion but no later than November 1, 2023.

The Transfer Order also provides in decretal paragraph 11:

That \$50,000 of Pluris Hampstead, LLC's unassigned surety bond is assigned to the Majestic Oaks, Majestic Oaks West, Salters Haven at Lea Marina Phases 1 and 2, and Forest Sound service areas. The remaining unassigned bond surety shall be \$75,000

On October 30, 2023, ONSWC filed with the Commission a Notice of Decommission Delay. In that Notice, ONSWC notified the Commission regarding the delay in completing the required decommissioning by the November 1, 2023 deadline, requested the Commission accept its notice or if needed, accept such notice as a request for waiver of the November 1, 2023 deadline. In that Notice, ONSWC also informed the Commission that the closing on the Majestic Oaks transfer to Pluris Hampstead occurred on September 15, 2023.

On February 19, 2024, ONSWC filed with the Commission its Notice of Decommissioning and Motion for Release of Bond. In its Notice, ONSWC stated that it has now completed its decommissioning of Majestic Oaks in compliance with the Transfer Order and requests that the Commission accept its notice of decommissioning. ONSWC further stated that Majestic Oaks is now owned and operated by Pluris Hampstead, and that Pluris Hampstead has posted the Commission-required bond amount for this service area. Consequently, ONSWC requested that its cash bond for the Salter's Haven at Lea Marina part of Majestic Oaks be returned to ONSWC, and that the surety bond amounts assigned to the other Majestic Oaks systems transferred to Pluris Hampstead be added to the unassigned surety bond amount for ONSWC.

In support of its requests, ONSWC stated that on September 27, 2021, in a contiguous extension under Docket No. W-1300, Sub 56, ONSWC posted a cash bond of \$10,000 for Salter's Haven at Lea Marina. ONSWC maintained that Salter's Haven at Lea Marina is one of the systems under the Majestic Oaks umbrella and is now covered by the bond from Pluris Hampstead. ONSWC further maintained that the other systems under the Majestic Oaks umbrella are secured by assignment of portions of the surety bond provided by ONSWC through an irrevocable letter of credit from BNY Mellon, NA. In particular, there is a \$20,000 bond for Majestic Oaks and Hampstead Shopping Center (Docket No. W-1300, Sub 0); a \$10,000 bond for Majestic Oaks West (Docket No. W-1300, Sub 30); and a \$10,000 bond for Forest Sound (Docket No. W-1300, Sub 20). ONSWC stated that these systems are likewise now covered by the bond from Pluris Hampstead.

On September 29, 2021, the Commission issued an order in Docket No. W-1300, Sub 56, that accepted for Salter's Haven at Lea Marina Subdivision Phases 1 and 2 the \$10,000 cash bond provided by ONSWC. ONSWC maintained that because it has completed decommissioning of Majestic Oaks and closed on the transfer of the system and the franchise and bonding for Majestic Oaks is now under Pluris, there is no reason for the Commission to continue to apply the \$10,000 cash bond to the contiguous extension to Salter's Haven at Lea Marina or the \$40,000 of surety bonds assigned to Majestic Oaks, Majestic Oaks West, and Forest Sound. Accordingly, ONSWC requests that the \$10,000 cash bond be returned to ONSWC, and that the \$40,000 assigned from the surety bond be released so it can be added to the unassigned bond amount for ONSWC. Pursuant to the Commission's Order Granting Franchise and Approving Rates issued on March 21, 2024, in Docket No. W-1300, Sub 97, ONSWC presently has \$160,000 of unassigned bond.

On March 6, 2024, The Public Staff filed a letter stating that it has reviewed ONSWC's Notice of Decommissioning and Motion for Release of Bond and does not object to ONSWC's requests.

Based on the foregoing, the Commission finds good cause to accept ONSWC's notice that it has completed the decommissioning of Majestic Oaks in compliance with the Transfer Order, to approve ONSWC's motion for release of bond and return the \$10,000 cash bond for Salter's Haven at Lea Marina to ONSWC, and to add the \$40,000 of bonds for Majestic Oaks, Majestic Oaks West, and Forest Sound service areas that were transferred to Pluris Hampstead to the \$160,000 in unassigned bond for ONSWC.

IT IS, THEREFORE, ORDERED as follows:

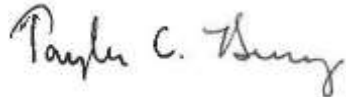
1. That the Commission hereby accepts ONSWC's notice of completion of decommissioning of Majestic Oaks filed in these dockets on February 19, 2024;
2. That the \$10,000 cash bond posted by ONSWC on September 27, 2021, in Docket No. W-1300, Sub 56, for Salter's Haven at Lea Marina shall be, and hereby is released to ONSWC;
3. That the \$40,000 of assigned bonds for Majestic Oaks, Majestic Oaks West, and Forest Sound service areas that were transferred to Pluris Hampstead on September 15, 2023, shall be added to the unassigned bond amount for ONSWC resulting in an unassigned bond surety amount of \$200,000; and

4. That as ONSWC files applications for new or transferred franchises or contiguous extension notifications in the future, the Commission shall designate by future orders the dockets covered by the currently undesignated \$200,000 of bond and surety.

ISSUED BY ORDER OF THE COMMISSION.

This is the 1st day of May, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in dark ink, appearing to read "Taylor C. Berry". The signature is written in a cursive, flowing style.

Taylor C. Berry, Deputy Clerk

Commissioner Karen M. Kemeraйт did not participate in this decision.