

**STATE OF NORTH
CAROLINA UTILITIES
COMMISSION RALEIGH**

STAFF CONFERENCE AGENDA – JULY 25, 2022

Link to view staff conference will be posted on the commission website, ncuc.net

ELECTRIC

MID-YEAR SUPPLEMENTAL PURCHASE POWER ADJUSTMENT)

New River Light and Power Company

1. Docket No. E-34, Sub 53 – Motion for authorization and approval to implement a mid-year supplemental Purchased Power Adjustment. *(Sun/Saillor/Creech)*

NATURAL GAS

FINAL APPROVAL OF NEW PROPOSED RIDER G

Public Service Company of North Carolina

2. Docket No. G-5, Subs 632 and 634 – Motion of Public Service Company of North Carolina, Inc., d/b/a Dominion Energy North Carolina, for Final Approval of GreenTherm™ Program and Rider G. *(Maness/Patel/Holt)*

ASSET TRANSFER

Public Service Company of North Carolina

3. Docket No. G-5, Sub 643 – Application of Public Service Company of North Carolina, Incorporated for Approval of Asset Transfer Agreements. *(Patel/Johnson/Holt)*

WATER AND WASTEWATER

ORDER ESTABLISHING GENERAL RATE CASE AND SUSPENDING RATES

Aqua North Carolina, Inc.

4. Docket No. W-218, Sub 573 – Application for Authority to Adjust and Increase Rates for Water and Sewer Utility Service in All Its Service Areas in North Carolina and for Approval of a Water and Sewer Investment Plan. *(Junis/Feasel/Jost)*

Carolina Water Service, Inc. of North Carolina

5. Docket No. W-354, Sub 400 – Application for Authority to Adjust and Increase Rates for Water and Sewer Utility Service in All Its Service Areas in North Carolina and for Approval of a Water and Sewer Investment Plan. (*Junis/Feasel/Holt*)

ORDER APPROVING TARIFF REVISION

Aqua North Carolina, Inc.

6. Docket No. W-218, Sub 577 – Application for Authority to Amend Its Tariff to Increase Rates for Water Utility Service for the Increased Cost of Purchased Water from the Town of Pittsboro in Chapel Ridge, Laurel Ridge and The Parks at Meadowview in Chatham County, North Carolina. (*Bhatta/Allison/Jost*)
7. Docket No. W-218, Sub 578 – Application for Authority to Amend Its Tariff to Increase Rates for Water Utility Service for the Increased Cost of Purchased Water from the Fayetteville Public Works Commission in 18 subdivisions in Cumberland County, North Carolina. (*Bhatta/Feasel/Jost*)
8. Docket No. W-218, Sub 580 – Application for Authority to Amend Its Tariff to Increase Rates for Water Utility Service for the Increased Cost of Purchased Water from Johnston County Department of Public Utilities in 55 subdivisions in Johnston County, North Carolina. (*Bhatta/Feasel/Jost*)

Pluris Hampstead, LLC

9. Docket No. W-1305, Sub 36 – Application for Authority to Amend Its Tariff to Include a Base Charge for 8-inch Meter Sewer Service in Pender County, North Carolina. (*Junis/Jost*)

ORDER SCHEDULING HEARINGS, ESTABLISHING DISCOVERY GUIDELINES, AND REQUIRING CUSTOMER NOTICE

Carolina Water Service, Inc. of North Carolina and Water Resource Management, Inc.

10. Docket Nos. W-354, Sub 396 and W-1073, Sub 7 – Application for Authority to Transfer the Water Resource Management, Inc. water and wastewater utility systems and Public Utility Franchise in Watauga County, North Carolina to Carolina Water Service, Inc. of North Carolina, and approval of rates. (*Franklin/Feasel/Little*)

Red Bird Utility Operating Company, LLC and Crosby Utilities, Inc.

11. Docket Nos. W-1328, Sub 9 and W-992, Sub 8 – Application for Authority to Transfer the Crosby Utilities, Inc. water and wastewater utility systems and Public Utility Franchise in Wake County, North Carolina to Red Bird Utility Operating Company, LLC and approval of rates. (*Franklin/Feasel/Jost*)

The Public Staff recommends approval of the preceding agenda items as described above and reflected in proposed orders provided to the Commission Staff.

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. E-34, SUB 53

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by New River Light & Power	)	ORDER APPROVING
Company for Approval of a Mid-Year	)	MID-YEAR SUPPLEMENTAL
Supplemental Purchased Power Adjustment	)	PURCHASED POWER
and Coal Ash Cost Recovery Factors	)	ADJUSTMENT

BY THE COMMISSION: On July 11, 2022, New River Light and Power Company (NRLP) filed a request pursuant to Commission Rules R1-5 and R1-7 and North Carolina Gen. Stat. § 62-32 for authorization and approval to implement a mid-year supplemental Purchased Power Adjustment (PPA) to be effective through the remainder of the 2022 PPA billing cycle, from August 1, 2022, through February 28, 2023 (Adjustment Request).

On February 15, 2022, the North Carolina Utilities Commission (Commission) issued an order in Docket No. E-34, Sub 53 (February 2022 order), approving the PPA rider as filed by NRLP. For the PPA approved by the February 2022 order, NRLP utilized an annual average forecasted cost of natural gas around \$4.85/MMBtu, based on the natural gas forward curves as of January 2022.

In its Adjustment Request, NRLP noted that beginning the first week of May 2022, the price of natural gas projections increased significantly, and continues to increase. NRLP stated the price surge being experienced in the natural gas markets has caused, and is expected to continue to cause, a serious under-recovery of purchased power costs for NRLP.

On July 12, 2022, NRLP filed a corrected Attachment A and Exhibits to the request filed on July 11, 2022. NRLP estimated a total under-recovery of purchased power costs of \$5,549,385 by and through the end of 2022, including \$2,053,961 of actual under-recovered purchased power costs for January through May 2022.

NRLP requested levelizing the impact to NRLP customers of the under-recoveries by recovering 100% of the actual under-recovery of \$2,053,961 for January through May of 2022 and 85% of the \$3,495,424 estimated under-recovery for June through December 2022. NRLP proposed a mid-year supplemental Experience Modification Factor (EMF) of \$0.006007 per kilowatt hour (kWh) effective August 1, 2022, through February 29, 2024, that would recover the \$2,053,961 actual under-recovery for January through May 2022. Additionally, NRLP proposed a mid-year supplemental PPA of \$0.022053 per kWh effective August 1, 2022, through February 28, 2023, to recover 85% of the anticipated under-recovery for the remaining billing period. The proposed increments would be in

addition to the EMF decrement factor of (\$0.006423) approved by the Commission in the February 2022 order. The net impact of the request is a 23.3% increase to residential customer rates. NRLP stated the current under-recovered position creates a cash-flow shortfall as it must continue to pay its supplier for the purchased power under the purchase power agreement. NRLP noted that if the PPA is not quickly approved, it would need to obtain a line of credit through Appalachian State University as NRLP would otherwise most likely not be able to pay for purchased power.

NRLP did not request any changes to the Coal Ash Cost Recovery (CACR) factor approved in the February 2022 order.

The Public Staff reviewed the filings and information provided by NRLP in response to the Public Staff's data request and made corrections to NRLP's calculation of the mid-year supplemental EMF. Based on the corrections made, the Public Staff recommended a mid-year supplemental EMF rate of \$0.005941 per kWh. The Public Staff did not have corrections to NRLP's proposed mid-year supplemental PPA factor of \$0.022053. The proposed rates would result in a net levelized PPA factor of \$0.021572 (excluding regulatory fee) and \$0.021602 per kWh (including the regulatory fee). This would be in addition to the CACR Factor of (\$0.004214) per kWh (excluding the regulatory fee) and (\$0.004219) per kWh (including the regulatory fee) previously approved by the Commission in the February 2022 order.

The Public Staff presented this matter at the Commission's Regular Staff Conference on July 25, 2022. The Public Staff provided a proposed order that includes a customer notice provision consistent with the notice approved by the Commission in its February 2022 order in this docket. The Public Staff recommended approval of NRLP's request, as adjusted by the Public Staff.

Based on the foregoing, the Commission concludes that the proposed mid-year supplemental PPA, as adjusted by the Public Staff, should be approved without public hearing, subject to refund of any amounts subsequently found to be unjust or unreasonable upon protest and hearing, and subject to the requirements set forth in the Ordering Paragraphs below.

IT IS, THEREFORE, ORDERED as follows:

1. That, effective with service rendered on and after August 1, 2022, NRLP is authorized to adjust its base rates to reflect a PPA factor of \$0.021572 per kWh (excluding the regulatory fee) and \$0.021602 per kWh (including the regulatory fee).
2. That, the CACR factor of (\$0.004214) per kWh (excluding the regulatory fee) and (\$0.004219) per kWh (including the regulatory fee), approved in the Commission's February 2022 order remains unchanged.
3. That the rates authorized by this Order are subject to refund of any amounts which may subsequently be found unjust and unreasonable after public hearing.

4. That NRLP shall file copies of its approved rate schedules, as modified herein, within 10 days of the date of this Order.

5. That the Notice to the Public attached as Appendix A be either: (1) delivered by email for customers who have provided an email address to NRLP; or (2) mailed by bill insert in the next billing cycle after the Commission's Order.

6. That the Notice to the Public be published by NRLP at its own expense in newspapers having general coverage in its North Carolina service area once a week for two consecutive weeks, the first Notice appearing in the first publication date that can be arranged with the Watauga Democrat following the date of this Order and said Notice covering no less than one-quarter of a page.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

NOTICE TO THE PUBLIC

**DOCKET NO. E-34, SUB 53
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that New River Light and Power Company (NRLP or the Company) has requested the North Carolina Utilities Commission (Commission) to approve a mid-year adjustment to its purchased power adjustment (PPA) factor, for service rendered on and after August 1, 2022, to pass through to its customers the cost of purchased power from its wholesale power supplier.

The amount of the increase to NRLP's customers resulting from the supplemental PPA factor will be approximately \$5,002,626. The increase will be applied to NRLP's customers as uniform increases to the kilowatt-hour (kWh) energy charge. The proposed increase of \$0.022661 per kWh (PPA) will result in an increase in the monthly bill of a residential customer using 1,000 kWh from \$97.35 to \$120.01. The approximate percentage increases in customers' bills, by rate schedule, are as follows (actual percentages may differ depending on specific customers' usage amounts):

Residential	23.3%
Schedule G (Commercial)	24.4%
Schedule GL (Large Commercial)	33.9%
Schedule GLH (Commercial Demand -High Load Factor)	34.2%
Schedule A (App. State Univ.)	30.4%

The Commission has concluded that the mid-year supplemental PPA requested by NRLP is reasonable, in that it is based solely on the level of purchased power that has been incurred and is expected to be incurred by the Company.

Therefore, the Commission has approved NRLP's request without public hearing, subject to refund of any amounts which should subsequently be found to be unjust or unreasonable after any public hearing in this matter that may subsequently be held by the Commission, as described below.

Persons desiring to intervene in this matter as formal parties of record should file a motion under Commission Rules R1-6, R1-7, and R1-19 not later than 45 days after the date of this notice. Persons desiring to present testimony or evidence at a hearing should so advise the Commission. Persons desiring to send written statements to inform the Commission of their position in the matter should address their statements to the Chief Clerk, North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. However, such written statements cannot be considered competent evidence unless those persons appear at a public hearing and testify concerning the information contained in their written statements. If a significant number of requests for a public hearing are received within 45 days after the date of this notice, the Commission may schedule a public hearing.

The Public Staff – North Carolina Utilities Commission is authorized by statute to represent the using and consuming public in proceedings before the Commission. Written statements to the Public Staff should include any information which the writer wishes to be considered by the Public Staff in its investigation of the matter, and such statements should be addressed to Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4300.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. G-5, SUB 632
DOCKET NO. G-5, SUB 634

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. G-5, SUB 632)	
)	
In the Matter of)	
Application of Public Service Company of)	
North Carolina, Inc. for General Rate Increase)	
)	
DOCKET NO. G-5, SUB 634	)	ORDER APPROVING
	)	GREENTHERM™ PROGRAM
	)	AND RIDER G
In the Matter of)	
Application for Approval to Modify Existing)	
Conservation Programs and Implement New)	
Conservation Programs)	

BY THE COMMISSION: On April 1, 2021, Public Service Company of North Carolina, Inc. d/b/a Dominion Energy North Carolina (PSNC) filed an application with the North Carolina Utilities Commission (Commission) pursuant to N.C. Gen. Stat. §§ 62-133 and 62-134 requesting authority to adjust and increase its retail natural gas rates and charges, effective May 1, 2021 (Application). As part of the Application, PSNC requested Commission authority to implement the GreenTherm™ Program, a voluntary renewable energy program offering a way for participating customers to purchase attributes of renewable natural gas. PSNC also proposed deferred accounting treatment and the implementation of a Rider G to ensure that GreenTherm™ Program costs are properly accounted for and assigned to participating customers.

On October 15, 2021, PSNC, the Public Staff, Carolina Utilities Customer Association, and Evergreen Packaging, LLC filed a Stipulation of Settlement (Stipulation). In Section 29 of the Stipulation, the stipulating parties agreed to provisional approval of PSNC's proposed GreenTherm™ Program, subject to review and approval of the estimated program costs and revenues, sources of Green Attributes and carbon offsets, certification of the program, cost of a block of Green Attributes, and other specifications of the program. The stipulating parties further agreed that PSNC shall be allowed to recover reasonable and prudently incurred costs of the GreenTherm™ Program from participating customers through a Rider G recovery mechanism. Additionally, the stipulating parties agreed that PSNC would work with the Public Staff to finalize Rider G for purposes of cost recovery, and that PSNC would file such rider with the Commission for final approval.

On January 21, 2022, the Commission issued its Order Approving Stipulation, Granting Rate Increase, and Requiring Customer Notice, which approved the Stipulation and granted PSNC provisional approval of the GreenTherm™ Program, subject to review and approval of certain specifications prior to final approval. The Order also concluded that it was reasonable for PSNC to work with the Public Staff to finalize the Rider G and file such rider with the Commission for approval. Additionally, the Order granted PSNC cost recovery approval of reasonable and prudently incurred costs resulting from the GreenTherm™ Program.

On July 13, 2022, PSNC filed a Motion for Final Approval of the GreenTherm™ Program and Rider G (Motion), which included as exhibits a proposed Rider G and revised Summary of Rates and Charges. PSNC's Motion explained that the GreenTherm™ Program and corresponding Rider G provides qualifying customers with the option to offset the carbon emissions associated with their natural gas usage through voluntary direct funding of PSNC's purchase of Green Attributes. In its Motion, PSNC proposes to purchase Green Attributes sourced from renewable natural gas and from nature-based carbon offsets, including those generated from landfill projects and avoided forest conversion projects. PSNC's Motion also explained that included with Rider G is an Appendix describing the accounting, ratemaking, and regulatory reporting conditions applicable to the GreenTherm™ Program that were agreed upon by PSNC and the Public Staff.

The Public Staff presented this matter to the Commission at its July 25, 2022, Staff Conference. The Public Staff stated that it had reviewed the proposed Appendix G and recommended approval of the Company's Motion.

Based upon the foregoing, and in the absence of any opposition to the Rider and Program, and recognizing the voluntary nature thereof, the Commission hereby approves implementation of the GreenTherm™ Program and the addition of Rider G to PSNC's Service Regulations, subject to each of the matters set forth in the Appendix to PSNC's Rider G filed on July 13, 2022, effective August 1, 2022.

IT IS, THEREFORE, ORDERED as follows:

1. That PSNC's request for approval of the proposed GreenTherm™ Program, revised Summary of Rates and Charges, and Rider G to PSNC's Service Regulations is granted subject to each of the conditions and requirements set forth in the Rider G Appendix;
2. That PSNC's annual report shall state as a separate line item the volume and percentage of the total Green Attributes purchased through the Program that were produced (a) in North Carolina and (b) in other states;
3. That PSNC's annual report shall state as a separate line item the volume and percentage of the total Green Attributes purchased through the GreenTherm™ Program that are supplied by (a) renewable natural gas and (b) other identified sources;

4. That, annually and no later than 60 days following PSNC's filing of the annual report, the Public Staff shall file a letter informing the Commission regarding its review of the monthly reports on the GreenTherm™ Program Deferred Account activity and the annual report and recommending whether the Rider should continue as approved herein or be modified; and

5. That PSNC shall file revised tariffs within five days of the date of this Order, implementing the tariff changes approved herein.

ISSUED BY ORDER OF THE COMMISSION

This the _____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. G-5, SUB 643

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Public Service Company of)	
North Carolina, d/b/a Dominion Energy	)	ORDER APPROVING ASSET
North Carolina for Approval of	)	TRANSFER AGREEMENTS
Asset Transfer Agreements)	

BY THE COMMISSION: On April 5, 2022, Public Service Company of North Carolina, Incorporated, d/b/a Dominion Energy North Carolina ("PSNC" or the "Company"), filed an application for approval of Asset Transfer Agreements (Agreements) for the purchase of 14-inch diameter steel pipe from its affiliates The East Ohio Gas Company, d/b/a Dominion Energy Ohio (DEO), and Questar Gas Company, d/b/a Dominion Energy Utah (DEU), respectively (collectively, the Parties), under N.C. Gen. Stat. § 62-153(b) and Regulatory Condition 3.1(a) as approved by the Commission's *Order Approving Merger Subject to Regulatory Conditions and Code of Conduct* issued November 19, 2018, in Docket Nos. E-22, Sub 551 and G-5, Sub 585 (Merger Order).

The Company represents that it has identified a need for a 14-inch steel pipe to make repairs to a portion of its transmission system. PSNC states that, because it is not a common size, the pipe is not readily available, and DEO and DEU have 14-inch steel pipe that they are willing to transfer to PSNC. PSNC further states that, after searching diligently, the Company was unable to locate this size pipe from any other source and, therefore, the Parties were unable to establish its fair market value. The Parties have agreed that each of the transfers will be based on the pipe's actual cost to the utility, per Section III.D.3(d) of the Company's Code of Conduct, which allows for transfers with utility affiliates to be at cost.

The Public Staff has reviewed the application filed with the Commission, as well as responses by the Company to data requests regarding the proposed asset transfers and had discussions with Company personnel. In light of its review, the Public Staff recommends that the Commission approve the Agreements between PSNC and DEO and PSNC and DEU, subject to the following conditions:

(1) The Commission's approval of the Agreements shall have no accounting or ratemaking implications;

(2) The Commission's approval of the Agreements shall not be deemed, in connection with any future proceeding before the Commission, to determine and establish

PSNC's retail rates or for any other purpose, or to constitute Commission approval of any level of charges directly charged, assigned, or allocated to PSNC under the Agreements;

(3) PSNC shall provide a report within 60 days after consummation of the sale and transfer, which shall include (1) the effective date of the transfer, (2) PSNC's actual accounting entries, including any tax-related entries, to record the transfer, and (3) a schedule of the actual transferred equipment by asset description, quantity, and dollar amount, in accordance with the Federal Energy Regulatory Commission Uniform System of Accounts for gas utilities;

(4) The Commission reserves the right to examine the books and records of any affiliate in connection with the Agreements, whether or not such affiliate is regulated by the Commission;

(5) PSNC shall file with the Commission signed and executed copies of the Agreements within 60 days of the date of an order approving the Agreements;

(6) For ratemaking purposes, the Commission's approval of the Agreements does not constitute approval of any amount paid by PSNC under the Agreements; and

(7) The authority granted by the Commission in this Order shall be without prejudice to the right of any party to take issue with any provision of the Agreements in question in a future proceeding.

The Public Staff presented this item at the Commission's July 25, 2022, Regular Staff Conference. The Public Staff stated that it had completed its review of the application and recommended that the Commission approve the Asset Transfer Agreements between PSNC and DEO and DEU, respectively.

Based on the foregoing and the record, the Commission concludes that pursuant to N.C.G.S. § 62-153(b), the Asset Transfer Agreements should be approved, subject to the conditions recommended by the Public Staff, as set forth above.

IT IS, THEREFORE, ORDERED as follows:

That the Asset Transfer Agreements are approved, subject to the conditions recommended by the Public Staff, as enumerated in the body of this order.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 573

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Aqua North Carolina, Inc.,)	
202 MacKenan Court, Cary, North Carolina	)	ORDER ESTABLISHING
27511, for Authority to Adjust and Increase	)	GENERAL RATE CASE
Rates for Water and Sewer Utility Service in	)	AND SUSPENDING RATES
All Its Service Areas in North Carolina and for)	
Approval of a Water and Sewer Investment)	
Plan)	

BY THE COMMISSION: On June 30, 2022, in Docket No. W-218, Sub 573, Aqua North Carolina, Inc. (Aqua) filed an application with the Commission seeking authority to adjust and increase its rates for providing water and sewer utility service in all of its service areas in North Carolina and for approval to establish and implement a Water and Sewer Investment Plan (WSIP) pursuant to N.C. Gen. Stat. § 62-133.1B and Commission Rule R1-17A. Aqua proposes new rates for a base year and the three rate years included in its WSIP. Aqua serves approximately 84,000 water customers and 21,000 sewer customers in 51 counties throughout the State of North Carolina.

Aqua's uniform water and sewer rates, Brookwood water rates, and Fairways water and sewer rates have been in effect since October 26, 2020, pursuant to the Commission's Order in Docket No. W-218, Sub 526.

The Commission finds that the application constitutes a general rate case and concludes that the proposed new rates should be suspended pending investigation.

IT IS, THEREFORE, ORDERED as follows:

1. That this proceeding is declared a general rate case pursuant to N.C.G.S. § 62-137;
2. That the proposed new rates are suspended for up to 270 days pursuant to N.C.G.S. § 62-134;
3. That the test year period is established as the twelve-month period ending December 31, 2021; and
4. That the Commission shall issue an order establishing discovery guidelines, scheduling hearings, and requiring customer notice at a later date.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-354, SUB 400

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Carolina Water Service, Inc.)
of North Carolina, 4944 Parkway Plaza)
Boulevard, Suite 375, Charlotte, North Carolina)
28217, for Authority to Adjust and Increase)
Rates for Water and Sewer Utility Service in)
All Its Service Areas in North Carolina and for)
Approval of a Water and Sewer Investment)
Plan)
	ORDER ESTABLISHING
	GENERAL RATE CASE
	AND SUSPENDING RATES

BY THE COMMISSION: On July 1, 2022, in Docket No. W-354, Sub 400, Carolina Water Service, Inc. of North Carolina (CWSNC) filed an application with the Commission seeking authority to adjust and increase its rates for providing water and sewer utility service in all of its service areas in North Carolina and for approval to establish and implement a Water and Sewer Investment Plan (WSIP) pursuant to N.C. Gen. Stat. § 62-133.1B and Commission Rule R1-17A. CWSNC proposes new rates for a base year and the three rate years included in its WSIP. CWSNC serves approximately 34,565 water customers and 21,469 sewer customers in 38 counties throughout the State of North Carolina.

CWSNC's uniform water and sewer rates and Bradfield Farms/Fairfield Harbour/Treasure Cove water and sewer rates have been in effect since April 8, 2022, pursuant to the Commission's Order in Docket No. W-354, Sub 384.

The Commission finds that the application constitutes a general rate case and concludes that the proposed new rates should be suspended pending investigation.

IT IS, THEREFORE, ORDERED as follows:

1. That this proceeding is declared a general rate case pursuant to N.C.G.S. § 62-137;
2. That the proposed new rates are suspended for up to 270 days pursuant to N.C.G.S. § 62-134;
3. That the test year period is established as the twelve-month period ending March 31, 2022; and

4. That the Commission shall issue an order establishing discovery guidelines, scheduling hearings, and requiring customer notice at a later date.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 577

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Aqua North Carolina, Inc.,)
202 MacKenan Court, Cary, North Carolina)
27511, for Authority to Amend Its Tariff to)
Increase Rates for Water Utility Service for the)
Increased Cost of Purchased Water from the)
Town of Pittsboro in Chapel Ridge, Laurel)
Ridge, and The Parks at Meadowview in)
Chatham County, North Carolina)
	ORDER APPROVING
	TARIFF REVISION
	AND REQUIRING
	CUSTOMER NOTICE

BY THE COMMISSION: On June 17, 2022, Aqua North Carolina, Inc. (Aqua or Company) filed a verified petition with the Commission pursuant to N.C. Gen. Stat. § 62-133.11 requesting authority to amend its tariff for the purpose of passing along to its metered water customers in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview in Chatham County an increase in the cost of purchasing water service from the Town of Pittsboro (Pittsboro). North Carolina Gen. Stat. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

Aqua stated that, effective July 1, 2022, Pittsboro increased its minimum charge, up to and including 500,000 gallons of usage, by \$1,545 per month, from \$10,300 to \$11,845 per month, and its usage rate above 500,000 gallons by \$3.09 per 1,000 gallons, from \$20.60 per 1,000 gallons to \$23.69 per 1,000 gallons. Aqua requested to increase the usage charge applicable to these customers for service rendered on or after July 1, 2022, to pass along this increase in the cost of purchasing water service from Pittsboro.

Aqua's current water usage rate related to its bulk purchased water service from Pittsboro became effective on October 5, 2021, upon issuance of the Commission's Order Approving Tariff Revision and Requiring Customer Notice in Docket No. W-218, Sub 559. After taking into account the effect of Pittsboro's minimum charge and the regulatory fee,¹ Aqua requested authority to increase its water usage rate from \$20.63 to \$23.72 per 1,000 gallons to reflect the increase in the cost of purchasing water service from Pittsboro. The monthly base facility charge for a <1" meter remains \$20.70. Under the new water usage rate, the average residential customer's monthly water bill will increase by \$15.45, from \$123.85 to \$139.30 based on 5,000 gallons of usage.

¹ Effective July 1, 2022, the Regulatory Fee Percentage Rate increased to 0.14% for state fiscal year 2022-2023.

The Public Staff presented this matter at the Commission's Staff Conference on July 25, 2022. The Public Staff stated that it had reviewed Pittsboro's rates and the Company's request and recommended that the Commission approve the tariff revision at the proposed rates for service rendered on and after the date of this order and require customer notice.

Based upon the foregoing, the Commission finds that Aqua should be allowed to pass through the costs associated with the increased purchased water expense.

IT IS, THEREFORE, ORDERED as follows:

1. That Aqua North Carolina, Inc. is granted a revision to Appendix A-2 of its tariff for water utility service in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview in Chatham County in which it purchases and resells water from the Town of Pittsboro, as set forth herein;

2. That the revised Appendix A-2 attached hereto is approved and deemed filed with the Commission pursuant to N.C.G.S. § 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order; and

3. That the Notice to Customers attached hereto as Appendix B shall be mailed with sufficient postage or hand delivered by Aqua to all its affected customers in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview contemporaneously with the next billing of customers, and that Aqua shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than ten days after the date of the next billing.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

AQUA NORTH CAROLINA, INC.
BULK PURCHASED WATER SYSTEM USAGE RATES
Usage charge, per 1,000 gallons where water purchased for resale

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
Aqua North Carolina Service Areas		
Twin Creeks	City of Asheville	\$ 4.96
Heather Glen and Highland	City of Belmont	\$14.40
Southpoint Landing	City of Belmont	\$14.40
Park South	City of Charlotte	\$ 2.19
Parkway Crossing	City of Charlotte	\$ 2.19
Springhill / Springdale	City of Concord	\$ 5.42
Hoopers Valley	City of Hendersonville	\$ 4.83
Crystal Creek	City of Hendersonville	\$ 4.83
Rambling Ridge	City of Hendersonville	\$ 4.83
Brookwood	City of Hickory (outside city)	\$ 3.25
Heritage Farms	City of Hickory (inside city)	\$ 3.25
Cedarwood Estates	City of Hickory (inside city)	\$ 3.25
Hill-N-Dale	City of Lincolnton	\$ 9.21
East Shores	City of Morganton	\$ 2.51
Greenfield	City of Mount Airy	\$ 6.69
Bett's Brook	City of Newton	\$ 3.29
Crestwood	Davidson Water, Inc.	\$ 4.76
Lancer Acres	Davidson Water, Inc.	\$ 4.76
Beard Acres	Davidson Water, Inc.	\$ 4.76
Woodlake Development	Harnett County	\$ 2.78
Beechwood Cove	Chatham County	\$ 7.04
Chatham	Chatham County	\$ 7.04
Cole Park Plaza Shopping Center	Chatham County	\$ 9.98
Hidden Valley	Chatham County	\$ 7.04
Polks Landing	Chatham County	\$ 7.04
Chapel Ridge	Town of Pittsboro	\$23.72
Laurel Ridge	Town of Pittsboro	\$23.72
The Parks at Meadowview	Town of Pittsboro	\$23.72
River Hill Heights	Iredell Water Corp.	\$ 3.61

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
Bedford at Flowers Plantation	Johnston County	\$ 3.21
Bennett Place	Johnston County	3.21
Chatham	Johnston County	3.21
Copper Ridge	Johnston County	3.21
Cottages at Evergreen	Johnston County	3.21
Cottonfield Village	Johnston County	3.21
Creekside Place	Johnston County	3.21
Eastlake at Flowers Plantation	Johnston County	3.21
Evergreen	Johnston County	3.21
Flowers Crest	Johnston County	3.21
Flowers Shopping Center	Johnston County	3.21
Forge Creek	Johnston County	3.21
Forrest at Flowers	Johnston County	3.21
Longleaf	Johnston County	3.21
Magnolia	Johnston County	3.21
Magnolia Place/Village	Johnston County	3.21
Mill Creek North	Johnston County	3.21
Mill Creek West	Johnston County	3.21
Neuse Colony	Johnston County	3.21
North Farm	Johnston County	3.21
North Farm Cottages	Johnston County	3.21
North Village	Johnston County	3.21
Parkway Center/Village	Johnston County	3.21
Parkway Townes	Johnston County	3.21
Peachtree	Johnston County	3.21
Pineville Club	Johnston County	3.21
Pineville East	Johnston County	3.21
Pineville East Cottages/Palmetto Pl.	Johnston County	3.21
Pineville East Estates	Johnston County	3.21
Pineville West	Johnston County	3.21
Plantation Park	Johnston County	3.21
Plantation Pointe	Johnston County	3.21
Poplar Woods	Johnston County	3.21
River Dell East	Johnston County	3.21

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
River Dell Townes	Johnston County	3.21
Riverdell Elementary School	Johnston County	3.21
Ross Landing	Johnston County	3.21
South Plantation	Johnston County	3.21
South Quarter	Johnston County	3.21
Southgate	Johnston County	3.21
Summerset Place	Johnston County	3.21
Sun Ridge Farms	Johnston County	3.21
Sweetgrass	Johnston County	3.21
The Crossing at Flowers Plantation	Johnston County	3.21
The Gardens at Flowers Plantation	Johnston County	3.21
The Meadows	Johnston County	3.21
The Nine	Johnston County	3.21
The Woodlands	Johnston County	3.21
Trillium	Johnston County	3.21
Village at Flowers Plantation	Johnston County	3.21
Walker Woods	Johnston County	3.21
Watson's Mill	Johnston County	3.21
West Ashley	Johnston County	3.21
Whitfield at Flowers Plantation	Johnston County	3.21
Wilders Woods and Extension	Johnston County	3.21
Holly Hills	Town of Forest City	\$ 5.63
Pear Meadows	Town of Fuquay-Varina	\$ 5.18
Swiss Pine Lake	Town of Spruce Pine	\$ 5.96
Brookwood/Lagrange Service Areas		
Kelly Hills	Fayetteville PWC	\$ 3.54
Bretton Woods	Fayetteville PWC	\$ 3.54
Raintree	Fayetteville PWC	\$ 3.54
Colony Village	Fayetteville PWC	\$ 3.54
Windsong	Fayetteville PWC	\$ 3.54
Porter Place	Fayetteville PWC	\$ 3.54
Thornwood	Fayetteville PWC	\$ 3.54
County Walk	Fayetteville PWC	\$ 3.54
Lands Down West	Fayetteville PWC	\$ 3.54

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
S & L Estates	Fayetteville PWC	\$ 3.54
Tarleton Plantation	Fayetteville PWC	\$ 3.54
Springdale	Fayetteville PWC	\$ 3.54
Ridge Manor	Fayetteville PWC	\$ 3.54
Forest Lake	Fayetteville PWC	\$ 3.54
Arden Forest	Fayetteville PWC	\$ 3.54
Wendemere	Fayetteville PWC	\$ 3.54
Jena-Shane	Fayetteville PWC	\$ 3.54
Stoney Point	Fayetteville PWC	\$ 3.54
Woodland Run	Town of Linden	\$ 5.23

**AQUA NORTH CAROLINA, INC.
PURCHASED SEWER RATES**

Aqua North Carolina Service Areas

Monthly Metered Service where bulk service purchased from Charlotte (Park South Station and Parkway Crossing residential and commercial):

Base facility charge, zero usage (based on meter size)	Same as commercial charges listed on Appendix A-1, Page 4
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Usage charge, per 1,000 gallons	\$ 6.45
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Hawthorne at the Greene Apartments, Woodland Farm, and Beaver Farms Subdivision – Mecklenburg County: (See Docket No. W-899, Sub 37 and Docket No. W-218, Subs 357, 517, and 526)

Base facilities charge (to be collected and delivered to Carolina Water Service, Inc. of North Carolina ¹ for treatment of the wastewater), per month	\$ 47.94 per REU ²
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Each apartment building at Hawthorne at the Greene Apartments (formerly Vista Park Apartments) will be considered 92.42% occupied on an ongoing basis for billing purposes as soon as the certificate of occupancy is issued for the apartment building.

Collection service/commodity charge (based on City of Charlotte's master meter reading), per 1,000 gallons	\$ 6.75
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¹ On August 17, 2016, in Docket Nos. W-1044, Sub 24, et al., the North Carolina Utilities Commission issued an Order Approving Merger. In accordance with the Order, and pursuant to the Articles of Merger filed with the North Carolina Department of the Secretary of State on August 30, 2016, Bradfield Farms Water Company was merged into Carolina Water Service, Inc. of North Carolina effective August 30, 2016.

² Residential Equivalent Unit.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-218, SUB 577
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is given that the North Carolina Utilities Commission has granted Aqua North Carolina, Inc. (Aqua or Company), an increase in its water usage rate for customers in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview in Chatham County, North Carolina.

Aqua filed a verified petition with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to water customers in Chapel Ridge, Laurel Ridge, and The Parks at Meadowview an increase in the cost of purchasing water service from the Town of Pittsboro. North Carolina Gen. Stat. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff reviewed Aqua's petition and recommended that Aqua be allowed to increase its water usage rate by \$3.09 per 1,000 gallons from \$20.63 to \$23.72 per 1,000 gallons effective for service rendered on and after the date of this Notice. The monthly base facility charge for a <1" meter remains \$20.70.

The new water usage rate will increase the average residential monthly water bill by \$15.45, from \$123.85 to \$139.30 based on 5,000 gallons of usage.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July , 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-218, Sub 577, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2022.

By:

Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the required Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-218, Sub 577.

Witness my hand and notarial seal, this the ____ day of _____, 2022.

Notary Public

Printed Name

(SEAL) My Commission Expires:

Date

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 578

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Aqua North Carolina, Inc.,)	
202 MacKenan Court, Cary, North Carolina)	
27511, for Authority to Amend Its Tariff to)	
Increase Rates for Water Utility Service for)	
the Increased Cost of Purchased Water from	)	ORDER APPROVING
the Fayetteville Public Works Commission in	)	TARIFF REVISION AND
18 Subdivisions in Cumberland County,	)	REQUIRING CUSTOMER
North Carolina	)	NOTICE

BY THE COMMISSION: On June 14, 2022, Aqua North Carolina, Inc. (Aqua or Company) filed a verified petition with the Commission pursuant to N.C. Gen. Stat. § 62-133.11 requesting authority to amend its tariff for the purpose of passing along to its water customers in 18 subdivisions in Cumberland County an increase in the cost of purchasing water service from Fayetteville Public Works Commission (FPWC). North Carolina Gen. Stat. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

Aqua stated that, effective March 1, 2022, FPWC increased its rate charged to Aqua by \$0.26 per 1,000 gallons from \$3.2708 to \$3.5325 per 1,000 gallons. Aqua requested to increase the usage charge applicable to these customers for service rendered on and after March 1, 2022, to pass along this increase in the cost of purchasing water service from FPWC.

Aqua's current water usage rate related to its bulk purchased water service from FPWC became effective on February 9, 2021, upon issuance of the Commission's Order Approving Tariff Revision and Requiring Customer Notice in Docket No. W-218, Sub 546. After taking into account the effect of FPWC's minimum charge and the regulatory fee,¹ Aqua requested authority to increase its water usage rate from \$3.28 to \$3.54 per 1,000 gallons to reflect the increase in the cost of purchasing water service from FPWC.

Under the new water usage rate, the average residential customer's monthly water bill will increase by \$1.56, from \$35.69 to \$37.25, based on 6,000 gallons of usage. The monthly base facility charge for a <1" meter remains \$16.01.

¹ Effective July 1, 2022, the Regulatory Fee Percentage Rate increased to 0.14% for state fiscal year 2022-2023.

The Public Staff presented this matter at the Commission's Staff Conference on July 25, 2022. The Public Staff stated that it had reviewed FPWC's rates and the Company's request and recommended that the Commission approve the tariff revision at the proposed rates for service rendered on and after the date of this order and require customer notice.

Based upon the foregoing, the Commission finds that Aqua should be allowed to pass through the costs associated with the increased purchased water expense.

IT IS, THEREFORE, ORDERED as follows:

1. That Aqua North Carolina, Inc., is granted a revision to Appendix A-2 of its tariff for water utility service in 18 subdivisions in Cumberland County in which it purchases and resells water from Fayetteville Public Works Commission, as set forth herein;

2. That the revised Appendix A-2 attached hereto is approved and deemed filed with the Commission pursuant to N.C.G.S. § 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order; and

3. That the Notice to Customers attached hereto as Appendix B shall be mailed with sufficient postage or hand delivered by Aqua to all its affected customers in the 18 subdivisions contemporaneously with the next billing of customers, and that Aqua shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than ten days after the date of the next billing.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

AQUA NORTH CAROLINA, INC.
BULK PURCHASED WATER SYSTEM USAGE RATES
Usage charge, per 1,000 gallons where water purchased for resale

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
Aqua North Carolina Service Areas		
Twin Creeks	City of Asheville	\$ 4.96
Heather Glen and Highland	City of Belmont	\$14.40
Southpoint Landing	City of Belmont	\$14.40
Park South	City of Charlotte	\$ 2.19
Parkway Crossing	City of Charlotte	\$ 2.19
Springhill / Springdale	City of Concord	\$ 5.42
Hoopers Valley	City of Hendersonville	\$ 4.83
Crystal Creek	City of Hendersonville	\$ 4.83
Rambling Ridge	City of Hendersonville	\$ 4.83
Brookwood	City of Hickory (outside city)	\$ 3.25
Heritage Farms	City of Hickory (inside city)	\$ 3.25
Cedarwood Estates	City of Hickory (inside city)	\$ 3.25
Hill-N-Dale	City of Lincolnton	\$ 9.21
East Shores	City of Morganton	\$ 2.51
Greenfield	City of Mount Airy	\$ 6.69
Bett's Brook	City of Newton	\$ 3.29
Crestwood	Davidson Water, Inc.	\$ 4.76
Lancer Acres	Davidson Water, Inc.	\$ 4.76
Beard Acres	Davidson Water, Inc.	\$ 4.76
Woodlake Development	Harnett County	\$ 2.78
Beechwood Cove	Chatham County	\$ 7.04
Chatham	Chatham County	\$ 7.04
Cole Park Plaza Shopping Center	Chatham County	\$ 9.98
Hidden Valley	Chatham County	\$ 7.04
Polks Landing	Chatham County	\$ 7.04
Chapel Ridge	Town of Pittsboro	\$23.72
Laurel Ridge	Town of Pittsboro	\$23.72
The Parks at Meadowview	Town of Pittsboro	\$23.72
River Hill Heights	Iredell Water Corp.	\$ 3.61

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
Bedford at Flowers Plantation	Johnston County	\$ 3.21
Bennett Place	Johnston County	\$ 3.21
Chatham	Johnston County	\$ 3.21
Copper Ridge	Johnston County	\$ 3.21
Cottages at Evergreen	Johnston County	\$ 3.21
Cottonfield Village	Johnston County	\$ 3.21
Creekside Place	Johnston County	\$ 3.21
Eastlake at Flowers Plantation	Johnston County	\$ 3.21
Evergreen	Johnston County	\$ 3.21
Flowers Crest	Johnston County	\$ 3.21
Flowers Shopping Center	Johnston County	\$ 3.21
Forge Creek	Johnston County	\$ 3.21
Forrest at Flowers	Johnston County	\$ 3.21
Longleaf	Johnston County	\$ 3.21
Magnolia	Johnston County	\$ 3.21
Magnolia Place/Village	Johnston County	\$ 3.21
Mill Creek North	Johnston County	\$ 3.21
Mill Creek West	Johnston County	\$ 3.21
Neuse Colony	Johnston County	\$ 3.21
North Farm	Johnston County	\$ 3.21
North Farm Cottages	Johnston County	\$ 3.21
North Village	Johnston County	\$ 3.21
Parkway Center/Village	Johnston County	\$ 3.21
Parkway Townes	Johnston County	\$ 3.21
Peachtree	Johnston County	\$ 3.21
Pineville Club	Johnston County	\$ 3.21
Pineville East	Johnston County	\$ 3.21
Pineville East Cottages/Palmetto Pl.	Johnston County	\$ 3.21
Pineville East Estates	Johnston County	\$ 3.21
Pineville West	Johnston County	\$ 3.21
Plantation Park	Johnston County	\$ 3.21
Plantation Pointe	Johnston County	\$ 3.21
Poplar Woods	Johnston County	\$ 3.21
River Dell East	Johnston County	\$ 3.21

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
River Dell Townes	Johnston County	\$ 3.21
Riverdell Elementary School	Johnston County	\$ 3.21
Ross Landing	Johnston County	\$ 3.21
South Plantation	Johnston County	\$ 3.21
South Quarter	Johnston County	\$ 3.21
Southgate	Johnston County	\$ 3.21
Summerset Place	Johnston County	\$ 3.21
Sun Ridge Farms	Johnston County	\$ 3.21
Sweetgrass	Johnston County	\$ 3.21
The Crossing at Flowers Plantation	Johnston County	\$ 3.21
The Gardens at Flowers Plantation	Johnston County	\$ 3.21
The Meadows	Johnston County	\$ 3.21
The Nine	Johnston County	\$ 3.21
The Woodlands	Johnston County	\$ 3.21
Trillium	Johnston County	\$ 3.21
Village at Flowers Plantation	Johnston County	\$ 3.21
Walker Woods	Johnston County	\$ 3.21
Watson's Mill	Johnston County	\$ 3.21
West Ashley	Johnston County	\$ 3.21
Whitfield at Flowers Plantation	Johnston County	\$ 3.21
Wilders Woods and Extension	Johnston County	\$ 3.21
Holly Hills	Town of Forest City	\$ 5.63
Pear Meadows	Town of Fuquay-Varina	\$ 5.18
Swiss Pine Lake	Town of Spruce Pine	\$ 5.96
Brookwood/Lagrange Service Areas		
Kelly Hills	Fayetteville PWC	\$ 3.54
Bretton Woods	Fayetteville PWC	\$ 3.54
Raintree	Fayetteville PWC	\$ 3.54
Colony Village	Fayetteville PWC	\$ 3.54
Windsong	Fayetteville PWC	\$ 3.54
Porter Place	Fayetteville PWC	\$ 3.54
Thornwood	Fayetteville PWC	\$ 3.54
County Walk	Fayetteville PWC	\$ 3.54
Lands Down West	Fayetteville PWC	\$ 3.54

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
S & L Estates	Fayetteville PWC	\$ 3.54
Tarleton Plantation	Fayetteville PWC	\$ 3.54
Springdale	Fayetteville PWC	\$ 3.54
Ridge Manor	Fayetteville PWC	\$ 3.54
Forest Lake	Fayetteville PWC	\$ 3.54
Arden Forest	Fayetteville PWC	\$ 3.54
Wendemere	Fayetteville PWC	\$ 3.54
Jena-Shane	Fayetteville PWC	\$ 3.54
Stoney Point	Fayetteville PWC	\$ 3.54
Woodland Run	Town of Linden	\$ 5.23

**AQUA NORTH CAROLINA, INC.
PURCHASED SEWER RATES**

Aqua North Carolina Service Areas

Monthly Metered Service where bulk service purchased from Charlotte (Park South Station and Parkway Crossing residential and commercial):

Base facility charge, zero usage (based on meter size)	Same as commercial charges listed on Appendix A-1, Page 4
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Usage charge, per 1,000 gallons	\$ 6.45
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Hawthorne at the Greene Apartments, Woodland Farm, and Beaver Farms Subdivision – Mecklenburg County: (See Docket No. W-899, Sub 37 and Docket No. W-218, Subs 357, 517, and 526)

Base facilities charge (to be collected and delivered to Carolina Water Service, Inc. of North Carolina ¹ for treatment of the wastewater), per month	\$ 47.94 per REU ²
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Each apartment building at Hawthorne at the Greene Apartments (formerly Vista Park Apartments) will be considered 92.42% occupied on an ongoing basis for billing purposes as soon as the certificate of occupancy is issued for the apartment building.

Collection service/commodity charge (based on City of Charlotte's master meter reading), per 1,000 gallons	\$ 6.75
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¹ On August 17, 2016, in Docket Nos. W-1044, Sub 24, et al., the North Carolina Utilities Commission issued an Order Approving Merger. In accordance with the Order, and pursuant to the Articles of Merger filed with the North Carolina Department of the Secretary of State on August 30, 2016, Bradfield Farms Water Company was merged into Carolina Water Service, Inc. of North Carolina effective August 30, 2016.

² Residential Equivalent Unit.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-218, SUB 578
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is given that the North Carolina Utilities Commission has granted Aqua North Carolina, Inc. (Aqua or Company) an increase in its water usage rate for customers in 18 subdivisions in Cumberland County, North Carolina.

Aqua filed a verified petition with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to water customers in 18 subdivisions in Cumberland County an increase in the cost of purchasing water service from the Fayetteville Public Works Commission. North Carolina Gen. Stat. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff reviewed Aqua's petition and recommended that Aqua be allowed to increase its water usage rate by \$0.26 per 1,000 gallons from \$3.28 to \$3.54 per 1,000 gallons effective for service rendered on and after the date of this notice. The monthly base facility charge remains \$16.01.

The new water usage rate will increase the average residential monthly water bill by \$1.56, from \$35.69 to \$37.25 based on 6,000 gallons of usage.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Duston, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-218, Sub 578, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2022.

By:

Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the required Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-218, Sub 578.

Witness my hand and notarial seal, this the ____ day of _____, 2022.

Notary Public

Printed Name

(SEAL) My Commission Expires:

Date

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 580

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Aqua North Carolina, Inc.,)
202 MacKenan Court, Cary, North Carolina)
27511, for Authority to Amend Its Tariff to)
Increase Rates for Water Utility Service for)
the Increased Cost of Purchased Water from)
Johnston County Department of Public Utilities)
in 55 Subdivisions in Johnston County,)
North Carolina)
	ORDER APPROVING
	TARIFF REVISION
	AND REQUIRING
	CUSTOMER NOTICE

BY THE COMMISSION: On July 5, 2022, Aqua North Carolina, Inc. (Aqua or Company) filed a verified petition with the Commission, pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to its metered water customers in 55 subdivisions in Johnston County an increase in the cost of purchasing water service from Johnston County Department of Public Utilities (County).¹ North Carolina Gen. Stat. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

Aqua stated that, effective September 1, 2022, the County will increase its usage rate charged to Aqua by \$0.18 per 1,000 gallons, from \$3.02 to \$3.20 per 1,000 gallons. Aqua requested to increase the usage charge applicable to these customers for service rendered on and after September 1, 2022, to pass along this increase in the cost of purchasing water service from the County.

Aqua's current water usage rate related to its bulk purchased water service from the County became effective on October 5, 2021, upon issuance of the Commission's Order Approving Tariff Revision and Requiring Customer Notice in Docket No. W-218, Sub 557. After taking into account the effect of the County's base charge and 0.14% regulatory fee, Aqua requested authority to increase its water usage rate from \$3.03 to \$3.21 per 1,000 gallons to reflect the increase in the cost of purchasing water service from the County.² The monthly base facility charge for a <1" meter remains \$20.70.

¹ Aqua has not been issued a Certificate of Public Convenience and Necessity for Whitley Corner at Flowers in Docket No. W-218, Sub 542, and does not presently serve any customers in Whitley Corner at Flowers. Therefore, Whitley Corner at Flowers was not included in the revised tariff and the number of subdivisions was reduced from 56 to 55.

² The Public Staff agreed with the proposed rate, however, the Public Staff stated there is not an allocation of the County's base charge in the usage charge approved for Aqua to charge its customers. The \$0.01 gross-up is attributable to the 0.14% regulatory fee and is rounded to the full penny to avoid that cost being allocated to other Aqua customers (i.e., ANC Water customers), which was part of rate design to sufficiently fund the revenue requirement in Docket No. W-218, Sub 526.

Under the new water usage rate, the average residential customer's monthly water bill will increase by \$0.90, from \$35.85 to \$36.75 based on 5,000 gallons of usage.

The Public Staff presented this matter at the Commission's Staff Conference on July 25, 2022. The Public Staff stated that it had reviewed the County's rates and the Company's request and recommended that the Commission approve the tariff revision at the proposed rates for service rendered on and after September 1, 2022, and require customer notice.

Based upon the foregoing, the Commission finds that Aqua should be allowed to pass through the costs associated with the increased purchased water expense.

IT IS, THEREFORE, ORDERED as follows:

1. That Aqua North Carolina, Inc., is granted a revision to Appendix A-2 of its tariff for water utility service in 55 subdivisions in Johnston County in which it purchases and resells water from the Johnston County Department of Public Utilities, as set forth herein.

2. That the revised Appendix A-2 attached hereto is approved and deemed filed with the Commission pursuant to N.C.G.S. § 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order.

3. That the Notice to Customers, attached hereto as Appendix B, shall be mailed with sufficient postage or hand delivered by Aqua to all of its affected customers in the 55 subdivisions contemporaneously with the next billing of customers, and that Aqua shall submit to the Commission the attached Certificate of Service, properly signed and notarized, no later than ten days after the date of the next billing.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July , 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

AQUA NORTH CAROLINA, INC.
BULK PURCHASED WATER SYSTEM USAGE RATES
Usage charge, per 1,000 gallons where water purchased for resale

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
Aqua North Carolina Service Areas		
Twin Creeks	City of Asheville	\$ 4.96
Heather Glen and Highland	City of Belmont	\$14.40
Southpoint Landing	City of Belmont	\$14.40
Park South	City of Charlotte	\$ 2.19
Parkway Crossing	City of Charlotte	\$ 2.19
Springhill / Springdale	City of Concord	\$ 5.42
Hoopers Valley	City of Hendersonville	\$ 4.83
Crystal Creek	City of Hendersonville	\$ 4.83
Rambling Ridge	City of Hendersonville	\$ 4.83
Brookwood	City of Hickory (outside city)	\$ 3.25
Heritage Farms	City of Hickory (inside city)	\$ 3.25
Cedarwood Estates	City of Hickory (inside city)	\$ 3.25
Hill-N-Dale	City of Lincolnton	\$ 9.21
East Shores	City of Morganton	\$ 2.51
Greenfield	City of Mount Airy	\$ 6.69
Bett's Brook	City of Newton	\$ 3.29
Crestwood	Davidson Water, Inc.	\$ 4.76
Lancer Acres	Davidson Water, Inc.	\$ 4.76
Beard Acres	Davidson Water, Inc.	\$ 4.76
Woodlake Development	Harnett County	\$ 2.78
Beechwood Cove	Chatham County	\$ 7.04
Chatham	Chatham County	\$ 7.04
Cole Park Plaza Shopping Center	Chatham County	\$ 9.98
Hidden Valley	Chatham County	\$ 7.04
Polks Landing	Chatham County	\$ 7.04
Chapel Ridge	Town of Pittsboro	\$23.72
Laurel Ridge	Town of Pittsboro	\$23.72
The Parks at Meadowview	Town of Pittsboro	\$23.72
River Hill Heights	Iredell Water Corp.	\$ 3.61

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
Bedford at Flowers Plantation	Johnston County	\$ 3.21
Bennett Place	Johnston County	\$ 3.21
Chatham	Johnston County	\$ 3.21
Copper Ridge	Johnston County	\$ 3.21
Cottages at Evergreen	Johnston County	\$ 3.21
Cottonfield Village	Johnston County	\$ 3.21
Creekside Place	Johnston County	\$ 3.21
Eastlake at Flowers Plantation	Johnston County	\$ 3.21
Evergreen	Johnston County	\$ 3.21
Flowers Crest	Johnston County	\$ 3.21
Flowers Shopping Center	Johnston County	\$ 3.21
Forge Creek	Johnston County	\$ 3.21
Forrest at Flowers	Johnston County	\$ 3.21
Longleaf	Johnston County	\$ 3.21
Magnolia	Johnston County	\$ 3.21
Magnolia Place/Village	Johnston County	\$ 3.21
Mill Creek North	Johnston County	\$ 3.21
Mill Creek West	Johnston County	\$ 3.21
Neuse Colony	Johnston County	\$ 3.21
North Farm	Johnston County	\$ 3.21
North Farm Cottages	Johnston County	\$ 3.21
North Village	Johnston County	\$ 3.21
Parkway Center/Village	Johnston County	\$ 3.21
Parkway Townes	Johnston County	\$ 3.21
Peachtree	Johnston County	\$ 3.21
Pineville Club	Johnston County	\$ 3.21
Pineville East	Johnston County	\$ 3.21
Pineville East Cottages/Palmetto Pl.	Johnston County	\$ 3.21
Pineville East Estates	Johnston County	\$ 3.21
Pineville West	Johnston County	\$ 3.21
Plantation Park	Johnston County	\$ 3.21
Plantation Pointe	Johnston County	\$ 3.21
Poplar Woods	Johnston County	\$ 3.21
River Dell East	Johnston County	\$ 3.21

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
River Dell Townes	Johnston County	\$ 3.21
Riverdell Elementary School	Johnston County	\$ 3.21
Ross Landing	Johnston County	\$ 3.21
South Plantation	Johnston County	\$ 3.21
South Quarter	Johnston County	\$ 3.21
Southgate	Johnston County	\$ 3.21
Summerset Place	Johnston County	\$ 3.21
Sun Ridge Farms	Johnston County	\$ 3.21
Sweetgrass	Johnston County	\$ 3.21
The Crossing at Flowers Plantation	Johnston County	\$ 3.21
The Gardens at Flowers Plantation	Johnston County	\$ 3.21
The Meadows	Johnston County	\$ 3.21
The Nine	Johnston County	\$ 3.21
The Woodlands	Johnston County	\$ 3.21
Trillium	Johnston County	\$ 3.21
Village at Flowers Plantation	Johnston County	\$ 3.21
Walker Woods	Johnston County	\$ 3.21
Watson's Mill	Johnston County	\$ 3.21
West Ashley	Johnston County	\$ 3.21
Whitfield at Flowers Plantation	Johnston County	\$ 3.21
Wilders Woods and Extension	Johnston County	\$ 3.21
Holly Hills	Town of Forest City	\$ 5.63
Pear Meadows	Town of Fuquay-Varina	\$ 5.18
Swiss Pine Lake	Town of Spruce Pine	\$ 5.96
Brookwood/Lagrange Service Areas		
Kelly Hills	Fayetteville PWC	\$ 3.54
Bretton Woods	Fayetteville PWC	\$ 3.54
Raintree	Fayetteville PWC	\$ 3.54
Colony Village	Fayetteville PWC	\$ 3.54
Windsong	Fayetteville PWC	\$ 3.54
Porter Place	Fayetteville PWC	\$ 3.54
Thornwood	Fayetteville PWC	\$ 3.54
County Walk	Fayetteville PWC	\$ 3.54
Lands Down West	Fayetteville PWC	\$ 3.54

<u>Service Area</u>	<u>Water Provider</u>	<u>Usage Charge/ 1,000 gallons</u>
S & L Estates	Fayetteville PWC	\$ 3.54
Tarleton Plantation	Fayetteville PWC	\$ 3.54
Springdale	Fayetteville PWC	\$ 3.54
Ridge Manor	Fayetteville PWC	\$ 3.54
Forest Lake	Fayetteville PWC	\$ 3.54
Arden Forest	Fayetteville PWC	\$ 3.54
Wendemere	Fayetteville PWC	\$ 3.54
Jena-Shane	Fayetteville PWC	\$ 3.54
Stoney Point	Fayetteville PWC	\$ 3.54
Woodland Run	Town of Linden	\$ 5.23

**AQUA NORTH CAROLINA, INC.
PURCHASED SEWER RATES**

Aqua North Carolina Service Areas

Monthly Metered Service where bulk service purchased from Charlotte (Park South Station and Parkway Crossing residential and commercial):

Base facility charge, zero usage (based on meter size)	Same as commercial charges listed on Appendix A-1, Page 4
Usage charge, per 1,000 gallons	\$ 6.45

Hawthorne at the Greene Apartments, Woodland Farm, and Beaver Farms Subdivision – Mecklenburg County: (See Docket No. W-899, Sub 37 and Docket No. W-218, Subs 357, 517, and 526)

Base facilities charge (to be collected and delivered to Carolina Water Service, Inc. of North Carolina ¹ for treatment of the wastewater), per month	\$ 47.94 per REU ²
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Each apartment building at Hawthorne at the Greene Apartments (formerly Vista Park Apartments) will be considered 92.42% occupied on an ongoing basis for billing purposes as soon as the certificate of occupancy is issued for the apartment building.

Collection service/commodity charge (based on City of Charlotte's master meter reading), per 1,000 gallons	\$ 6.75
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¹ On August 17, 2016, in Docket Nos. W-1044, Sub 24, et al., the North Carolina Utilities Commission issued an Order Approving Merger. In accordance with the Order, and pursuant to the Articles of Merger filed with the North Carolina Department of the Secretary of State on August 30, 2016, Bradfield Farms Water Company was merged into Carolina Water Service, Inc. of North Carolina effective August 30, 2016.

² Residential Equivalent Unit.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-218, SUB 580
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is given that the North Carolina Utilities Commission has granted Aqua North Carolina, Inc. (Aqua or Company) an increase in its water usage rate for customers in 55 subdivisions in Johnston County, North Carolina.

Aqua filed a verified petition with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to water customers in 55 subdivisions in Johnston County an increase in the cost of purchasing water service from Johnston County Department of Public Utilities (County). North Carolina Gen. Stat. § 62-133.11(a) provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff reviewed Aqua's petition and recommended that Aqua be allowed to increase its water usage rate by \$0.18 per 1,000 gallons from \$3.03 to \$3.21 per 1,000 gallons effective for service rendered on and after September 1, 2022. The monthly base facility charge for a <1" meter remains \$20.70.

The new water usage rate will increase the average residential monthly water bill by \$0.90, from \$35.85 to \$36.75 based on 5,000 gallons of usage.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July , 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-218, Sub 580, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2022.

By:

Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the required Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-218, Sub 580.

Witness my hand and notarial seal, this the ____ day of _____, 2022.

Notary Public

Printed Name

(SEAL) My Commission Expires:

Date

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1305, SUB 36

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Pluris Hampstead, LLC,)	
5950 Berkshire Lane, Suite 800, Dallas,	)	ORDER APPROVING TARIFF
Texas 75225, for Authority to Amend its	)	REVISION
Tariff in Pender County, North Carolina)	

BY THE COMMISSION: On June 6, 2022, Pluris Hampstead, LLC (Pluris Hampstead) filed a motion with the Commission seeking to amend its tariff for monthly commercial metered sewer service to include a base charge for 8-inch meter service in Pender County, North Carolina.

An apartment complex in Pluris Hampstead's service area that will utilize an 8-inch meter is under development and has requested sewer utility service. Pluris Hampstead's present schedule of rates, which was approved by the Commission in Docket No. W-1305, Sub 12, effective November 13, 2020, does not include a monthly base charge for 8-inch meter service.

Based on the application of the meter size multipliers used by other regulated water and sewer utilities to its present rates as listed in the table below, and following consultation with the Public Staff, Pluris Hampstead proposed that a monthly base charge in the amount of \$1,880.00 be established for an 8-inch meter account.

Meter Size	Multiplier	Base Charge
<1" Meter	Base	\$23.50
1" Meter	2.5x	\$58.75
1.5" Meter	5x	\$117.50
2" Meter	8x	\$188.00
4" Meter	25x	\$587.50
6" Meter	50x	\$1,175.00
8" Meter	80x	\$1,880.00

The Public Staff presented this matter at the Commission's Staff Conference on July 25, 2022, and recommended that the Commission issue an order approving the requested monthly base charge for 8-inch meter service in the amount of \$1,880.00.

Based on the foregoing and the recommendation of the Public Staff, the Commission concludes that the \$1,880.00 monthly base charge for 8-inch meter service requested by Pluris Hampstead should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That Pluris Hampstead, LLC, is granted a tariff revision to add a monthly base charge for 8-inch meter service in the amount of \$1,880.00; and
2. That the Schedule of Rates attached hereto as Appendix A is approved and deemed filed with the Commission pursuant to N.C. Gen. Stat. § 62-138.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

SCHEDULE OF RATES

for

PLURIS HAMPSTEAD, LLC

for providing sewer utility service

in

ALL OF ITS SERVICE AREAS IN NORTH CAROLINA

Pender County, North Carolina

Monthly Residential Flat Rate: \$ 82.50

Monthly Commercial Metered Rates:

Base charge, zero usage:

<1" meter	\$ 23.50
1" meter	\$ 58.75
1.5" meter	\$ 117.50
2" meter	\$ 188.00
4" meter	\$ 587.50
6" meter	\$1,175.00
8" meter	\$1,880.00

Usage charge, per 1,000 gallons: \$ 16.50

Customers who ask to be reconnected at the same service location within nine months of disconnection, will be charged the entire flat rate or base monthly charge for the periods they were disconnected.

Reconnection Charge:

If sewer service cut off by utility for good cause: Actual cost

(Customers shall be given a written estimate of the actual costs prior to disconnection. An actual invoice of the costs shall be given to the customer following disconnection.)

Connection Fee-Residential: \$3,200 per SFE

Each additional bedroom beyond
three per residence \$1,607

Connection Fee-Commercial: \$3,200 per SFE

A single-family equivalent (SFE) for a detached single-family residence is three or less bedrooms.

A SFE for a commercial connection is determined by taking the design flow capacity for each non-residential commercial customer, as set forth in Administrative Code 15A NCAC 2 T .0114, and dividing the design flow by 360.

Road Bore Charge:

The road bore charge shall be the actual costs of labor and materials for the road boring. This charge shall be in addition to the connection fee. The customer may, choose to have a licensed contractor perform the road bore at the customer's sole expense, provided that the road bore and all related work shall be in accordance with Pluris Hampstead's standards.

The above connection fees, and Road Bore Charge do not apply to future connections for which prepaid connection fees have been received prior to the date of this Order.

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Return Check Fee: \$25.00

Billing Frequency:

Flat Rate Residential Customers Shall be monthly for service in advance

Metered Commercial Customers Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid balance of all bills still past due 25 days after the billing date.

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1305, Sub 36, on this the ____ day of July, 2022.

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1073, SUB 7
DOCKET NO. W-354, SUB 396

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Carolina Water Service, Inc.)
of North Carolina, 4944 Parkway Plaza)
Boulevard, Suite 375, Charlotte, North Carolina)
28217 and Water Resource Management, Inc.,)
151 Mr. Bish Boulevard, Boone, North Carolina)
28607, for Authority to Transfer the Echota)
Water Utility System, the Seven Devils)
Wastewater Utility System and Public Utility)
Franchise in Watauga County, North Carolina,)
and for Approval of Rates)
	ORDER SCHEDULING
	HEARINGS, ESTABLISHING
	DISCOVERY GUIDELINES,
	AND REQUIRING
	CUSTOMER NOTICE

BY THE COMMISSION: On April 22, 2022, Carolina Water Service, Inc. of North Carolina (CWSNC), and Water Resource Management, Inc. (Water Resource), filed with the Commission an Application for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the water and wastewater utility systems and public utility franchise serving all of Water Resource's service areas in Watauga County, North Carolina, from Water Resource to CWSNC and approval of rates. CWSNC filed with the Commission supplemental and additional materials in support of the Application on April 26 and May 11, 2022.

Water Resource currently serves 613 monthly flat rate water utility customers and 149 monthly flat rate wastewater utility customers in its service areas in Watauga County. The Water Resource water service areas include Echota Subdivision, Echota on the Ridge Subdivision, Echota East Ridge Subdivision and Phase 4 of Echota Subdivision (collectively Echota). The Water Resource wastewater service areas include the Top of Seven Condominiums, the City Hall for Seven Devils, the Seven Devils Lake Resort Club, one residential customer, the Lakes Community, Hawks Peak Condominiums, and Hawks Peak South Condominiums (collectively Seven Devils).

On October 12, 2021, Water Resource and CWSNC entered into a utility asset purchase agreement whereby CWSNC agreed to purchase Water Resource's water and wastewater utility system assets for a purchase price of \$70,000. In addition to the purchase price of \$70,000, CWSNC agreed to make additional payments of \$706 per new customer connection up to 184 connections as an "incentive payment" for future Echota phase IV lots. Furthermore, no water or wastewater utility system assets of Water Resource have been excluded from the utility asset purchase agreement.

The present water utility rates for the Echota service area were approved in Docket No. W-1073, Sub 4, on December 16, 2013, and Docket No. W-1073, Sub 6, on March 26, 2021. The present wastewater utility rates for the Seven Devils service area were approved in Docket Nos. W-1073, Sub 5, and M-100, Sub 138, and have been in effect since February 13, 2015. Upon acquisition of the system, CWSNC proposes to charge the CWSNC Uniform Rates for flat rate residential service for both water and wastewater utility service approved by the Commission in Docket No. 354, Sub 384, on April 8, 2022. The present and proposed rates are as follows:

<u>Monthly Flat Rate Service:</u>	<u>Present</u>	<u>Proposed</u>
Water	\$ 20.00	\$ 68.71
Wastewater	\$ 28.20	\$ 85.12 ¹

Presently, the Echota service area customers are not metered. Upon acquisition, CWSNC plans to install water meters and provide metered service to the 613 Echota water utility system customers. Once meters are installed, CWSNC intends to charge the metered water customers the CWSNC Uniform Rates for monthly metered water service (residential and commercial) approved by the Commission in Docket No. 354, Sub 384, on April 8, 2022. Assuming the size of each installed meter will be less than one inch and the average monthly usage is 3,837 gallons, the proposed monthly metered water bill will be \$69.46 including a base facility charge of \$24.53 and a usage charge of \$11.71 per 1,000 gallons of treated water.

The Public Staff presented this matter at the Commission's Staff Conference on July 25, 2022. The Public Staff recommended that: the matter be scheduled for a public witness hearing for the sole purpose of receiving testimony from customers; the matter also be scheduled for an expert witness hearing for the sole purpose of receiving expert witness testimony from CWSNC, the Public Staff, and intervenors, if any; and CWSNC be required to provide notice to all affected customers of the Application, including the applied for rates and the scheduled hearings.

Based upon the foregoing and the recommendation of the Public Staff, the Commission hereby establishes the procedural schedule, including filing requirements of CWSNC, the Public Staff, and other parties, and requires that CWSNC provide public notice to all affected customers of the Application, including the applied for rates and the scheduled hearings.

The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition shall be taken before the deadline for the filing of the Public Staff and other intervenor testimony. A notice of deposition shall be served on all parties at least seven business days prior to the taking of the deposition.

¹ Per single family equivalent (SFE) or residential equivalent unit (REU)

2. Any motion for subpoena of a witness to appear at the expert witness hearing shall be filed with the Commission before the deadline for the filing of the Public Staff and other intervenor testimony, shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. N.C. Gen. Stat. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena within one business day of the filing of such motion.

3. Formal discovery requests related to the Application and CWSNC's prefiled direct and supplemental testimony shall be served on CWSNC by hand delivery, facsimile, or electronic delivery with CWSNC's agreement, no later than 14 calendar days prior to the filing of the Public Staff and other intervenor testimony. CWSNC shall have up to ten calendar days to file with the Commission objections to discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten calendar days prior to the deadline for the filing of Public Staff and other intervenor testimony.

4. Formal discovery requests of the Public Staff or other intervenors shall be served by hand delivery, facsimile, or electronic delivery (with the agreement of the receiving party), no later than five calendar days after the filing of that party's testimony. The party served shall have up to three business days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than nine calendar days after the filing of that party's testimony.

5. Formal discovery requests related to prefiled rebuttal testimony shall be served by hand delivery, facsimile, or electronic delivery with CWSNC's agreement, no later than two calendar days after the filing of such testimony. The party served shall have up to two calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than three business days after the filing of such rebuttal testimony. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery.

6. Discovery requests need not be filed with the Commission when served; however, objections shall be filed with the Commission and the objecting party shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed, shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two business days to file with the Commission a motion to compel, and the party objecting to discovery shall have one business day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party by hand delivery, facsimile, or electronic delivery with the agreement of the receiving party, at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery due to that party's late intervention or other delay in initiating discovery.

The Commission urges all parties to work in a cooperative manner and to try to accommodate discovery within the time available. The Commission recognizes that in the past, most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside these guidelines.

IT IS, THEREFORE, ORDERED as follows:

1. That a public witness hearing is hereby scheduled for [Day of Week], [Date], and shall be held remotely via WebEx. The first session will begin at [Time] and end at the earlier conclusion of the last witness' testimony or [Time]. The second session will begin at [Time] and end at the earlier of the last witness' testimony or [Time]. A link to view the hearing will be available at www.ncuc.net. Members of the public that would like to testify must register in advance of the hearing, no later than [Time] on [Day of Week], [Date], either by email at ncucpublichearing@ncuc.net or by calling 919-733-0837. Individuals registering to testify must provide their name, the docket number (W-354, Sub 396), the exact telephone number they will use to participate in the hearing, and the topic of their testimony. Witnesses calling from any number different from the number provided at registration may be delayed or experience other difficulty in providing their testimony.

Only individuals registered by [Time] on [Day of Week], [Date], will be allowed to testify at the public witness hearing; This hearing will be canceled if no one registers to testify by [Time] on [Day of Week];

2. That the public witness hearing will be conducted solely for the purpose of receiving the testimony of customers in accordance with Commission Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearing pursuant to Commission Rule R1-21(g)(5);

3. That Water Resource and CWSNC are required to file separate, verified reports addressing all customer service and service quality complaints expressed during the public witness hearing held on [Date], within 15 days of the conclusion of the public witness hearing. The Public Staff shall and other intervenors may file a verified response and any comments to Water Resource and CWSNC's reports on or before [Date];

4. That the Application is scheduled for an expert witness hearing beginning at [Time], on [Day of Week], [Date], and continuing as necessary until conclusion. The hearing will be held in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina;

5. That the parties shall comply with the discovery guidelines established herein and shall work in a cooperative manner as to discovery;

6. That CWSNC is required to prefile all testimony on which it will rely at the expert witness hearing on or before [Day of Week], [Date], which is 60 days prior to the expert witness hearing. The Public Staff and intervenors, if any, shall file their testimony on or before [Day of Week], [Date], which is 40 days prior to the expert witness hearing, and CWSNC shall file its rebuttal testimony, if any, on or before [Day of Week], [Date], which is 20 days prior to the expert witness hearing;

7. That on or before [Day of Week], [Date], any persons having an interest in this matter may file petitions to intervene to this proceeding pursuant to Commission Rules R1-5, R1-7, and R1-19;

8. That CWSNC shall consult with all other parties and file, no later than [Day of Week], [Date], a list of witnesses to be called at the expert witness hearing, the order of witnesses, and each party's estimated time for cross-examination. If the parties cannot agree, the remaining parties shall, no later than [Day of Week], [Date], make a filing indicating their points of disagreement with CWSNC's filing;

9. That an officer or representative of CWSNC is required to appear before the Commission at the time and place of the expert witness hearing to testify concerning any of the information contained in the Application;

10. That all parties filing supporting exhibits in Excel format shall provide the Commission Staff electronic versions of the exhibits filed in native Excel format, including all of the supporting tabs and formulas, within three days of the filing of such exhibits; and that CWSNC and all other parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact;

11. That all parties filing supporting exhibits in PDF format shall provide to the Commission Staff electronic versions of the exhibits filed in native Excel format via email at NCUCexhibits@ncuc.net, where applicable, including all of the supporting tabs and formulas, within three days of the filing of such exhibits; and that CWSNC and all other parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact; and

12. That the Notice to Customers, attached hereto as Appendix A, shall be mailed with sufficient postage or hand delivered by CWSNC to all affected customers no later than ten days after the date of this Order and that CWSNC shall submit to the Commission the attached Certificate of Service, properly signed and notarized, not later than 20 days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-1073, SUB 7
DOCKET NO. W-354, SUB 396**

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is hereby given that Water Resource Management, Inc. (Water Resource), 151 Mr. Bish Boulevard, Boone, North Carolina 28607, and Carolina Water Service, Inc. of North Carolina (CWSNC), 4944 Parkway Plaza Boulevard, Suite 375, Charlotte, North Carolina 28217, filed an Application with the North Carolina Utilities Commission (Commission) for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the Echota water utility system and public utility franchise and the Seven Devils wastewater utility system and public utility franchise, in Watauga County, North Carolina, from Water Resource to CWSNC and for approval of rates.

EFFECT OF RATES:

The present water utility rates for the Echota service area were approved in Docket No. W-1073, Sub 4 on December 16, 2013, and Docket No. W-1073, Sub 6, on March 26, 2021. The present wastewater utility rates for the Seven Devils service area were approved in Docket Nos. W-1073, Sub 5, and M-100, Sub 138, and have been in effect since February 13, 2015. In its Application, upon acquisition of the system, CWSNC proposes to charge the CWSNC Uniform Rates for flat rate residential service for both water and wastewater utility service approved by the Commission in Docket No. 354, Sub 384 on April 8, 2022. The present and proposed rates are as follows:

<u>Monthly Flat Rate Service:</u>	<u>Present</u>	<u>Proposed</u>
Water	\$ 20.00	\$ 68.71
Wastewater	\$ 28.20	\$ 85.12 ¹

Presently the Echota service area customers are not metered. Upon acquisition, CWSNC plans to install water meters and provide metered service to the 613 Echota water utility system customers. Once meters are installed, CWSNC intends to charge the metered water customers the CWSNC Uniform Rates for monthly metered water service (residential and commercial) approved by the Commission in Docket No. 354, Sub 384, on April 8, 2022. Assuming the size of each installed meter will be less than one inch and

¹ Per single family equivalent (SFE) or residential equivalent unit (REU)

the average monthly usage is 3,837 gallons, the proposed monthly metered water bill will be \$69.46 including a base facility charge of \$24.53 and a usage charge of \$11.71 per 1,000 gallons of treated water.

PROCEDURES FOR PUBLIC HEARINGS:

The Commission has scheduled the following hearings on the Application:

Public witness hearing on [Day of Week], [Date], to be held remotely via WebEx for customer testimony. The first session will begin at [Time] and end at the earlier of the conclusion of the last witness' testimony or at [Time]. The second session will begin at [Time] and end at the earlier of the last witness' testimony or [Time]. A link to view the hearing will be available at www.ncuc.net. Members of the public that would like to testify must register in advance of the hearing, no later than [Time] on [Day of Week], [Date], either by email at ncucpublichearing@ncuc.net or by calling 919-733-0837. Individuals registering to testify must provide their name, the docket number (W-354, Sub 396), the exact telephone number they will use to participate in the hearing, the session at which they will participate, and the topic of their testimony. Witnesses calling from any number different from the number provided at registration may be delayed or experience other difficulty in providing their testimony.

Only individuals registered by [Time] on [Day of Week], [Date], will be allowed to testify at the hearings. This hearing will be canceled if no one registers to testify by [Time] on [Date].

The public witness hearing on [Date], will be solely for the purpose of receiving the testimony of public witnesses in accordance with Commission Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearing.

Expert witness hearing beginning at [Time], on [Day of Week], [Date], and continuing as necessary until conclusion. The hearing will be held in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. The hearing scheduled for [Date], shall be conducted solely for the purpose of receiving testimony of CWSNC, the Public Staff, and any other parties of record.

Consumer statements may be submitted to the Commission via the web form at <https://www.ncuc.net/contactus.html>. Consumer statements are not evidence unless those persons appear at a public witness hearing and testify concerning the information contained in their consumer statements.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Consumer statements to the Public Staff should include the

customer's name, contact information, and any information that the writer wishes to be considered by the Public Staff in its investigation of the matter, and such statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4326. Consumer statements may also be faxed to (919) 715-6704.

The Attorney General is also authorized by statute to represent the consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Utilities Section, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001. Written statements may also be e-mailed to utilityAGO@ncdoj.gov.

Persons desiring to intervene in this matter as formal parties of record should file a petition pursuant to North Carolina Utilities Commission Rules R1-5, R1-7, and R1-19, *on or before [Day of Week], [Date]*. Any such petition should be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

Commission hearings are subject to change because of COVID-19. Any changes to scheduled hearings will be posted on the NCUC website at www.ncuc.net.

Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net under Docket Number "W-364 Sub 396."

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers copies of the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket Nos. W-1073, Sub 7, and W-354, Sub 396, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____ 2022.

By:

Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the required Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket Nos. W-1073, Sub 7, and W-354, Sub 396.

Witness my hand and notarial seal, this the ____ day of _____ 2022.

Notary Public

Address

(SEAL) My Commission Expires:

Date

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-992, SUB 8
DOCKET NO. W-1328, SUB 9

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Red Bird Utility Operating)
Company, LLC, 1650 Des Peres Road, Suite)
303, St. Louis, Missouri 63131, and Crosby)
Utilities, Inc., 7536 NC 39 Hwy, Zebulon,)
North Carolina 27597, for Authority to Transfer)
the Baywood Forest Subdivision Water and)
Wastewater Utility Systems and the)
Cottonwood Subdivision Wastewater Utility)
System and Public Utility Franchise in Wake)
County, North Carolina, and for Approval of)
Rates)
	ORDER SCHEDULING
	HEARINGS, ESTABLISHING
	DISCOVERY GUIDELINES,
	AND REQUIRING
	CUSTOMER NOTICE

BY THE COMMISSION: On October 22, 2020, Red Bird Utility Operating Company, LLC (Red Bird), and Crosby Utilities, Inc. (Crosby), filed with the Commission an Application for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the water and wastewater utility systems and public utility franchise serving all of Crosby's service areas in Wake County, North Carolina, from Crosby to Red Bird and approval of rates. Red Bird filed with the Commission supplemental and additional materials in support of the Application on May 27, May 28, and October 8, 2021, and on June 14, 2022.

Crosby currently serves 290 residential customers in the Baywood Forest Subdivision (Baywood) and Cottonwood Subdivision (Cottonwood), with 210 water and wastewater utility customers in Baywood and 80 wastewater-only utility customers in Cottonwood. Upon acquisition, Red Bird plans to make capital improvements including replacing two deep well pumps and rehabilitating the 10,000-gallon pneumatic tank for the Baywood water utility system and installing a standby diesel generator and portable diesel generator at two separate lift stations for the wastewater utility system serving both subdivisions. Based on Red Bird's estimated costs for these improvements, due diligence costs, and the purchase price of the Baywood water utility system and the wastewater utility system serving Baywood and Cottonwood, the approximate annual revenue requirement associated with the capital expenditures is \$115,298 or \$33.13 per customer per month for 25 years, subject to true-up.

The present rates for Crosby were approved in Docket Nos. W-992, Sub 7 and M-100, Sub 138, and have been in effect since December 7, 2016. Upon acquisition of the

system, Red Bird proposes to charge the current Commission approved rates for Baywood and Cottonwood. The present and proposed rates are as follows:

<u>Monthly Metered Residential Water Service:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge, zero usage	\$ 9.60	\$ 9.60
Usage Charge, per 1,000 gallons	\$ 1.92	\$ 1.92
<u>Monthly Flat Rate for Wastewater Service:</u>	\$44.03	\$44.03

Based on an average usage of approximately 3,000 gallons per month, the monthly water utility bill is \$15.36, and the monthly flat rate wastewater bill is \$44.03.

Upon acquisition, Red Bird plans to make capital improvements and implement changes to operations that will increase annual operating costs above current levels. Non-confidential Attachment E.1 to the Application states that Red Bird plans to request a rate increase approximately 14 months post-acquisition, subject to Commission approval.¹ As part of that request, Red Bird also intends to seek uniform rates across all its North Carolina systems, including Baywood and Cottonwood. If the full amount of the projected rate increase, including the request for uniform rates, were approved by the Commission in the timeframe proposed by Red Bird, the average monthly bill charged to each customer for water and wastewater utility service could be as follows:

<u>Timeframe</u>	<u>Monthly Water Utility Bill</u>	<u>Monthly Wastewater Bill</u>
Present ²	\$ 15.36	\$ 44.03
Year 1	\$ 15.36	\$ 44.03
Year 2 ³	\$ 63.76	\$ 84.39
Years 3 through 5	\$ 73.44	\$ 92.46

The Public Staff presented this matter at the Commission's Staff Conference on July 25, 2022. The Public Staff recommended that the matter be scheduled for a public witness hearing for the sole purpose of receiving testimony from customers; that the matter also be scheduled for an expert witness hearing for the sole purpose of receiving expert witness testimony from Red Bird, the Public Staff, and intervenors, if any; and that Red Bird be required to provide notice to all affected customers of the Application, including the applied for rates and the scheduled hearings.

¹ Any future change in rates proposed by Red Bird would require filing a general rate case application pursuant to N.C. Gen. Stat. § 62-134 and approval by the Commission. Future rates are subject to change and could be less or more than the projected \$73.44 per customer.

² The timeframe of the present through the first two months of Year 2 assumes an average monthly usage of 3,000 gallons per customer.

³ Values are based on two months at Year 1 rates and ten months at the higher projected rate of \$73.44 per customer for water utility service and \$92.46 for wastewater utility service, which are the projected average monthly bill amounts for Red Bird customers statewide.

Based upon the foregoing, and the recommendation of the Public Staff, the Commission hereby establishes the procedural schedule, including filing requirements of Red Bird, the Public Staff, and other parties, and requires that Red Bird provide public notice to all affected customers of the Application, including the applied for rates and the scheduled hearings.

The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition shall be taken before the deadline for the filing of the Public Staff and other intervenor testimony. A notice of deposition shall be served on all parties at least seven business days prior to the taking of the deposition.

2. Any motion for subpoena of a witness to appear at the expert witness hearing shall be filed with the Commission before the deadline for the filing of the Public Staff and other intervenor testimony, shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. N.C. Gen. Stat. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena within one business day of the filing of such motion.

3. Formal discovery requests related to the Application and Red Bird's prefiled direct and supplemental testimony shall be served on Red Bird by hand delivery, facsimile, or electronic delivery with Red Bird's agreement, no later than 14 calendar days prior to the filing of Public Staff and other intervenor testimony. Red Bird shall have up to ten calendar days to file with the Commission objections to discovery requests on an item-by-item basis, but in no event shall objections be filed later than ten calendar days prior to the deadline for the filing of Public Staff and other intervenor testimony.

4. Formal discovery requests of the Public Staff or other intervenors shall be served by hand delivery, facsimile, or electronic delivery (with the agreement of the receiving party) no later than five calendar days after the filing of that party's testimony. The party served shall have up to three business days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than nine calendar days after the filing of that party's testimony.

5. Formal discovery requests related to prefiled rebuttal testimony shall be served by hand delivery, facsimile, or electronic delivery with Red Bird's agreement, no later than two calendar days after the filing of such testimony. The party served shall have up to two calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than three business days after the filing of such rebuttal testimony. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully

scrutinized upon objection that such discovery should have been sought during the initial period of discovery.

6. Discovery requests need not be filed with the Commission when served; however, objections shall be filed with the Commission and the objecting party shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed, shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have two business days to file with the Commission a motion to compel, and the party objecting to discovery shall have one business day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party by hand delivery, facsimile, or electronic delivery with the agreement of the receiving party, at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery due to that party's late intervention or other delay in initiating discovery.

The Commission urges all parties to work in a cooperative manner and to try to accommodate discovery within the time available. The Commission recognizes that in the past, most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside these guidelines.

IT IS, THEREFORE, ORDERED as follows:

1. That a public witness hearing is hereby scheduled for [Day of Week], [Date], and shall be held remotely via WebEx. The first session will begin at [Time] and end at the earlier conclusion of the last witness' testimony or [Time]. The second session will begin at [Time] and end at the earlier of the last witness' testimony or [Time]. A link to view the hearing will be available at www.ncuc.net. Members of the public who would like to testify must register in advance of the hearing, no later than [Time] on [Day of Week], [Date], either by email at ncucpublichearing@ncuc.net or by calling 919-733-0837. Individuals registering to testify must provide their name, the docket number (W-1328, Sub 9), the exact telephone number they will use to participate in the hearing, and the topic of their testimony. Witnesses calling from any number different from the number provided at registration may be delayed or experience other difficulty in providing their testimony.

Only individuals registered by [Time] on [Day of Week], [Date], will be allowed to testify at the public witness hearing. This hearing will be canceled if no one registers to testify by [Time] on [Day of Week];

2. That the public witness hearing will be conducted solely for the purpose of receiving the testimony of customers in accordance with Commission Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearing pursuant to Commission Rule R1-21(g)(5);

3. That Crosby and Red Bird are required to file separate, verified reports addressing all customer service and service quality complaints expressed during the public witness hearing held on [Date], within 15 days of the conclusion of the public witness hearing. The Public Staff shall and other intervenors may file a verified response and any comments to Crosby's and Red Bird's reports on or before [Date];

4. That the Application is scheduled for an expert witness hearing beginning at [Time], on [Day of Week], [Date], and continuing as necessary until conclusion. The hearing will be held in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina;

5. That the parties shall comply with the discovery guidelines established herein and shall work in a cooperative manner as to discovery;

6. That Red Bird is required to prefile all testimony on which it will rely at the expert witness hearing on or before [Day of Week], [Date], which is 60 days prior to the expert witness hearing. The Public Staff and intervenors, if any, shall file their testimony on or before [Day of Week], [Date], which is 40 days prior to the expert witness hearing, and Red Bird shall file its rebuttal testimony, if any, on or before [Day of Week], [Date], which is 20 days prior to the expert witness hearing;

7. That on or before [Day of Week], [Date], any persons having an interest in this matter may file petitions to intervene to this proceeding pursuant to Commission Rules R1-5, R1-7, and R1-19;

8. That Red Bird shall consult with all other parties and file, no later than [Day of Week], [Date], a list of witnesses to be called at the expert witness hearing, the order of witnesses, and each party's estimated time for cross-examination. If the parties cannot agree, the remaining parties shall, no later than [Day of Week], [Date], make a filing indicating their points of disagreement with Red Bird's filing;

9. That an officer or representative of Red Bird is required to appear before the Commission at the time and place of the expert witness hearing to testify concerning any of the information contained in the Application;

10. That all parties filing supporting exhibits in Excel format shall provide the Commission Staff electronic versions of the exhibits filed in native Excel format, including all of the supporting tabs and formulas, within three days of the filing of such exhibits; and that Red Bird and all other parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact;

11. That all parties filing supporting exhibits in PDF format shall provide to the Commission Staff electronic versions of the exhibits filed in native Excel format via email at NCUCexhibits@ncuc.net, where applicable, including all of the supporting tabs and formulas, within three days of the filing of such exhibits; and that Red Bird and all other parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact; and

12. That the Notice to Customers, attached hereto as Appendix A, shall be mailed with sufficient postage or hand delivered by Red Bird to all affected customers no later than ten days after the date of this Order and that Red Bird shall submit to the Commission the attached Certificate of Service, properly signed and notarized, not later than 20 days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-992, SUB 8
DOCKET NO. W-1328, SUB 9**

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is hereby given that Red Bird Utility Operating Company, LLC (Red Bird), 1650 Des Peres Road, Suite 303, St. Louis, Missouri 63131, and Crosby Utilities, Inc. (Crosby), 7536 NC 39 Hwy, Zebulon, North Carolina 27597, filed an Application with the North Carolina Utilities Commission (Commission) for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the Baywood Forest Subdivision (Baywood) Water and Wastewater Utility Systems and the Cottonwood Subdivision (Cottonwood) Wastewater Utility System and corresponding Public Utility Franchise in Wake County, North Carolina, from Crosby to Red Bird and approval of rates.

Upon acquisition, Red Bird plans to make capital improvements including replacing two deep well pumps and rehabilitating the 10,000-gallon pneumatic tank for the Baywood water utility system and installing a standby diesel generator and portable diesel generator at two separate lift stations for the wastewater system serving both subdivisions. Based on Red Bird's estimated costs for these improvements, due diligence costs, and the purchase price of the Baywood water utility system and the wastewater utility system serving Baywood and Cottonwood, the approximate annual revenue requirement associated with the capital expenditures is \$115,298 or \$33.13 per customer per month for 25 years, subject to true-up.

When Red Bird files a general rate case application with the Commission, Red Bird intends to include the costs of purchasing the Baywood and Cottonwood water and wastewater utility systems and its investment in the system in rate base, which would allow Red Bird to recover in rates the reasonable depreciation expense and allow Red Bird the opportunity to earn a return, approved by the Commission, on its post-closing investment. The Company also intends to seek authority to implement uniform rates for all its North Carolina systems.

EFFECT OF RATES:

The present rates for Crosby were approved in Docket Nos. W-992, Sub 7 and M-100, Sub 138, and have been in effect since December 7, 2016. Upon acquisition of the system, Red Bird proposes to charge the current Commission approved rates for Baywood and Cottonwood. The present and proposed rates are as follows:

<u>Monthly Metered Residential Water Service:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge, zero usage	\$ 9.60	\$ 9.60
Usage Charge, per 1,000 gallons	\$ 1.92	\$ 1.92
<u>Monthly Flat Rate for Wastewater Service:</u>	\$44.03	\$44.03

Based on an average usage of approximately 3,000 gallons per month, the monthly water utility bill is \$15.36, and the monthly flat rate wastewater bill is \$44.03.

Red Bird plans to request a rate increase and uniform statewide rates approximately 14 months post-acquisition, subject to Commission approval.¹ If the full amount of the projected rate increase, including the request for uniform rates, is granted, the average monthly statewide bill amount could be as much as the rates shown below.

Subject to Commission approval, the present and projected average monthly bill charged to each customer for water and wastewater utility service as proposed by Red Bird are as follows:

<u>Timeframe</u>	<u>Monthly Water Utility Bill</u>	<u>Monthly Wastewater Bill</u>
Present ²	\$ 15.36	\$ 44.03
Year 1	\$ 15.36	\$ 44.03
Year 2 ³	\$ 63.76	\$ 84.39
Years 3 through 5	\$ 73.44	\$ 92.46

PROCEDURES FOR PUBLIC HEARINGS:

The Commission has scheduled the following hearings on the Application:

Public witness hearing on [Day of Week], [Date], to be held remotely via WebEx for customer testimony. The first session will begin at [Time] and end at the earlier of the conclusion of the last witness' testimony or at [Time]. The second session will begin at

¹ Any future change in rates proposed by Red Bird would require filing a general rate case application pursuant to N.C. Gen. Stat. § 62-134 and approval by the Commission. Future rates are subject to change and could be less or more than the projected \$73.44 per customer.

² The time frame of the present through the first two months of Year 2 assumes an average monthly usage of 3,000 gallons per customer.

³ Values are based on two months at Year 1 rates and ten months at the higher projected rate of \$73.44 per customer for water utility service and \$92.46 for wastewater utility service, which are the projected average monthly bill amounts for Red Bird customers statewide.

[Time] and end at the earlier of the last witness' testimony or [Time]. A link to view the hearing will be available at www.ncuc.net. Members of the public that would like to testify

must register in advance of the hearing, no later than [Time] on [Day of Week], [Date], either by email at ncucpublichearing@ncuc.net or by calling 919-733-0837. Individuals registering to testify must provide their name, the docket number (W-1328, Sub 9), the exact telephone number they will use to participate in the hearing, the session at which they will participate, and the topic of their testimony. Witnesses calling from any number different from the number provided at registration may be delayed or experience other difficulty in providing their testimony.

Only individuals registered by [Time] on [Day of Week], [Date], will be allowed to testify at the hearings. This hearing will be canceled if no one registers to testify by [Time] on [Date].

The public witness hearing on [Date], will be solely for the purpose of receiving the testimony of public witnesses in accordance with Commission Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearing.

Expert witness hearing beginning at [Time], on [Day of Week], [Date], and continuing as necessary until conclusion. The hearing will be held in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. The hearing scheduled for [Date], shall be conducted solely for the purpose of receiving testimony of Red Bird, the Public Staff, and any other parties of record.

Consumer statements may be submitted to the Commission via the web form at <https://www.ncuc.net/contactus.html>. Consumer statements are not evidence unless those persons appear at a public witness hearing and testify concerning the information contained in their consumer statements.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Consumer statements to the Public Staff should include the customer's name, contact information, and any information that the writer wishes to be considered by the Public Staff in its investigation of the matter, and such statements should be addressed to Mr. Christopher J. Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina 27699-4326. Consumer statements may also be faxed to (919) 715-6704.

The Attorney General is also authorized by statute to represent the consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, c/o Utilities Section, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001. Written statements may also be e-mailed to utilityAGO@ncdoj.gov.

Persons desiring to intervene in this matter as formal parties of record should file a petition pursuant to North Carolina Utilities Commission Rules R1-5, R1-7, and R1-19, *on or before [Day of Week], [Date]*. Any such petition should be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

Commission hearings are subject to change because of COVID-19. Any changes to scheduled hearings will be posted on the NCUC website at www.ncuc.net.

Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net under Docket Number "W-1328 Sub 9."

This the ____ day of July, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers copies of the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket Nos. W-992, Sub 8 and W-1328, Sub 9, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____ 2022.

By:

Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the required Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket Nos. W-992, Sub 8 and W-1328, Sub 9.

Witness my hand and notarial seal, this the ____ day of _____ 2022.

Notary Public

Address

(SEAL) My Commission Expires:

Date

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