

**STATE OF NORTH
CAROLINA UTILITIES
COMMISSION RALEIGH**

STAFF CONFERENCE AGENDA – September 12, 2022

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

ELECTRIC

***CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT
SOLAR FACILITY***

Duke Energy Progress, LLC

1. Docket No. SP-8765, Sub 0 – Application of Gideon Solar, LLC for an amended and renewed certificate of public convenience and necessity to construct an 80-MW solar photovoltaic facility in Nash County, North Carolina (*Metz/Keyworth*)

WATER AND WASTEWATER

ORDER REQUIRING CUSTOMER NOTICE

Ferrington Utilities, LLC and Fitch Creations, Inc. d/b/a Ferrington Utilities

2. Docket Nos. W-1341, Sub 0 and W-661, Sub 10 – Application for Authority to Transfer the Wastewater Utility System and Public Utility Franchise from Fitch Creations to Ferrington Utilities, a new subsidiary of Fitch Creations, for Providing Wastewater Utility Service in Ferrington Village Subdivision in Chatham County, North Carolina (*Bhatta/Feasel/Little*)

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

Carolina Water Services, Inc. of North Carolina

3. Docket No. W-354, Subs 398 and 399 – Application for Determination of Fair Value of Utility Assets Pursuant to N.C. Gen. Stat. § 62-133.1A and Establishing Rate Base for Acquisition of the Carteret County Water System and Application for a Certificate of Public Convenience and Necessity and for Approval of Rates to provide water utility service to the Carteret County Water System in Carteret County, North Carolina (*Junis/Feasel/Creech*)

West Springdale, LLC d/b/a Springdale Water and Sewer, LLC

4. Docket No. W-1324 Sub 1 – Application for Rate Increase for providing water and wastewater utility service to the Springdale Estates Subdivision and Springdale Country Club (together, Springdale Estates) in Haywood County, North Carolina. (*Franklin/Akpom/Keyworth/Freeman*)

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. SP-8765, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application of Gideon Solar, LLC, for a)	
Certificate of Public Convenience and)	ORDER ISSUING AN
Necessity to Construct an 80-MW Solar)	AMENDED AND RENEWED
Facility in Nash County, North Carolina)	CERTIFICATE

BY THE COMMISSION: On April 18, 2017, the Commission issued an order granting Gideon Solar, LLC (Applicant) a certificate of public convenience and necessity (CPCN) pursuant to N.C. Gen. Stat. § 62-110.1 for construction of an 80-MW_{AC} solar photovoltaic generating facility to be located along Taylors Gin Road, north of Duke Road, Castalia, Nash County, North Carolina. The Commission also accepted registration of the facility as a new renewable energy facility.

On March 31, 2021, the Applicant filed change in ownership and contact information.

On March 11, 2022, the Applicant filed a request to renew the CPCN for five years pursuant to Commission Rule R8-64(d)(2), which requires CPCNs to be renewed if the applicant does not begin construction of the facility within five years of the issuance of the CPCN. In its request, the Applicant states that construction of the facility has not yet begun, and that it expects to begin construction in late 2022. The Applicant also asserts that the need for the facility remains unchanged and describes the prerequisites to the commencement of construction that have occurred since the CPCN was issued.

The Applicant also requests to amend its CPCN with a change in the overall site plan of the proposed facility. In addition, the Applicant filed a completed application for a CPCN with its request to demonstrate re-compliance with the requirements set forth in Commission Rule R8-64.

On March 15, 2022, the Commission issued an Order Requiring Publication of Notice and further Clearinghouse Review.

On March 22, 2022, the Applicant filed a certificate of service stating that a copy of the Application and the related public notice were provided to Duke Energy Progress, LLC (DEP) on March 22, 2022.

On April 22, 2022, and May 9, 2022, the State Clearinghouse filed comments. Because of the nature of the comments, the cover letters indicated that no further State

Clearinghouse review action by the Commission was required for compliance with the North Carolina Environmental Policy Act.

On April 27, 2022, the Applicant filed an affidavit of publication stating that the publication of notice was completed in the Rocky Mount Telegram on April 9, 2022. No complaints have been received.

Public notice of this application began on March 19, 2022; however, the Applicant did not send a copy of the Application and notice to Duke Energy Progress, LLC (DEP) until March 22, 2022. Commission Rule R8-64(c)(1) requires that applicant provide the application and public notice to the electric utility on or before the date of the first publication of the public notice. On August 5, 2022, the Applicant filed a copy of electronic correspondence between DEP and a representative of the Applicant stating that DEP would waive the electric utility notice requirement in this one instance.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on September 12, 2022. The Public Staff stated that it had reviewed the application and determined it to be in compliance with the requirements of N.C.G.S. § 62-110.1(a) and Commission Rule R8-64. Therefore, the Public Staff recommended that the Commission issue a renewed and amended CPCN to the Applicant.

After careful consideration, the Commission finds good cause to renew and amend the CPCN for the 80-MW_{AC} solar photovoltaic generating facility to be located in Nash County, North Carolina.

IT IS, THEREFORE, ORDERED as follows:

1. That the motion filed by Gideon Solar, LLC, to amend and renew its certificate of public convenience and necessity shall be, and is hereby, granted, subject to all requirements and conditions included in the CPCN;
2. That Appendix A shall constitute the amended and renewed certificate of public convenience and necessity issued to Gideon Solar, LLC, for the 80-MW_{AC} solar photovoltaic generating facility located along Taylors Gin Road, north of Duke Road, Castalia, Nash County, North Carolina; and
3. That the renewed certificate of public convenience and necessity shall expire five years following the date on which this Order is issued if construction has not begun unless it is revoked pursuant to Commission Rule R8-64(d)(1).

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of September 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. SP-8765, Sub 0

Gideon Solar, LLC
1125 E. Morehead St., Ste 202
Charlotte, North Carolina 28204

is hereby issued this

AMENDED AND RENEWED CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY

PURSUANT TO N.C. Gen. Stat. § 62-110.1

for a 80-MW_{AC} solar photovoltaic generating facility

located

along Taylors Gin Road, north of Duke Road, Castalia, Nash County, North Carolina,

subject to all orders, rules, regulations, and conditions
as are now or may hereafter be lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of September 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-661, SUB 10
DOCKET NO. W-1341, SUB 0

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Fearrington Utilities, LLC and)	
Fitch Creations, Inc. d/b/a Fearrington Utilities,)	
2000 Fearrington Village, Pittsboro, North)	
Carolina 27312, for Authority to Transfer the)	ORDER REQUIRING
Wastewater Utility System and Public Utility)	CUSTOMER NOTICE
Franchise for Providing Wastewater Utility)	
Service in Fearrington Village Subdivision in)	
Chatham County, North Carolina,)	
and Approval of Rates)	

BY THE COMMISSION: On June 1, 2022, Fearrington Utilities, LLC (Fearrington Utilities) and Fitch Creations, Inc. d/b/a Fearrington Utilities (Fitch Creations) filed with the North Carolina Utilities Commission (Commission) an Application for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the wastewater utility system and public utility franchise serving the Fearrington Village subdivision in Chatham County, North Carolina, from Fitch Creations to Fearrington Utilities, a subsidiary of Fitch Creations. Fearrington Utilities filed with the Commission supplemental and additional materials in support of the Application on June 1 and June 22, 2022.

Fitch Creations currently serves approximately 1,431 customers in the Fearrington Village subdivision. Upon acquisition, Fearrington Utilities plans to make capital improvements including the renovation of the existing 270,000 gallons per day wastewater treatment plant at a cost of \$4,186,225. Based on Fearrington Utilities' estimated costs for these improvements of the wastewater utility system, the approximate annual revenue requirement associated with the capital expenditures is \$533,932 or \$31.09 per customer per month for 25 years.

The present wastewater utility rates were approved by the Commission in Docket No. W-661, Sub 8, and have been in effect since December 6, 2016, and will remain unchanged upon completion of the transfer. The present and proposed rates are as follows:

Residential Flat Rates and Commercial

Establishments Not Listed Below:

	<u>Present</u>	<u>Proposed</u>
If paid annually in advance	\$ 259.97	\$ 259.97
	per year	per year
Galloway Ridge Apartments and Villas	\$ 21.67	\$ 21.67
	per month, per residence	per month, per residence

Annual Commercial Flat Rates:

Ferrington House Restaurant	\$2,599.23	\$2,599.23
Ferrington Inn	\$2,287.43	\$2,287.43
The Market	\$2,078.63	\$2,078.63
Village Beauty Shop	\$ 806.16	\$ 806.16
Fitch Creations, Inc. Admin. Building	\$ 806.16	\$ 806.16
Galloway Ridge Commercial Center	\$8,578.55	\$8,578.55

Reconnection Charges:

If sewer service cut off by utility for good cause	\$ 14.05	\$ 14.05
If sewer service discontinued at customer's request	\$ 14.05	\$ 14.05

Ferrington Village wastewater treatment plant's (WWTP) National Pollutant Discharge Elimination System (NPDES) permit modification was issued under permit number NC0043559 on February 8, 2022. The permit modification states that the North Carolina Division of Environmental Quality approved the request of Ferrington Utilities, LLC to transfer ownership of the Ferrington Village WWTP permit to Ferrington Utilities, LLC.

The Public Staff presented this matter at the Commission's Staff Conference on September 12, 2022. The Public Staff stated that it had reviewed the application and recommended that Fitch Creations be required to deliver notice to affected customers of the applied for transfer of the wastewater utility system from Fitch Creations to Ferrington Utilities and that the matter be determined without public hearing if no significant protests are received subsequent to customer notice.

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that customer notice should be required and that this matter may be determined without public hearing if no significant protests are received subsequent to customer notice.

IT IS, THEREFORE, ORDERED that the Notice to Customers, attached hereto as Appendix A, shall be mailed with sufficient postage or hand delivered by Fitch Creations, Inc. d/b/a Fearrington Utilities to all affected customers no later than 15 days after the date of this Order; and that the Applicant 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 _____ 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-661, SUB 10
DOCKET NO. W-1341, SUB 0**

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is hereby given that Fitch Creations, Inc. d/b/a Fearrington Utilities (Fitch Creations), and Fearrington Utilities, LLC (Fearrington Utilities) filed with the North Carolina Utilities Commission (Commission) an Application for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the wastewater utility system and public utility franchise serving the Fearrington Village subdivision in Chatham County, North Carolina, from Fitch Creations to Fearrington Utilities.

Fitch Creations currently serves approximately 1,431 customers in the Fearrington Village subdivision. Upon acquisition, Fearrington Utilities plans to make capital improvements including the renovation of the existing 270,000 gallons per day wastewater treatment plant at a cost of \$4,186,225. Based on Fearrington Utilities' estimated costs for these improvements of the wastewater utility system, the approximate annual revenue requirement associated with the capital expenditures is \$533,932 or \$31.09 per customer per month for 25 years.

EFFECT OF RATES:

The Applicant's present wastewater utility rates were approved by the Commission in Docket No. W-661, Sub 8, and have been in effect since December 6, 2016, and will remain unchanged upon completion of the transfer. The present and proposed rates are as follows:

**Residential Flat Rates and Commercial
Establishments Not Listed Below:**

	<u>Present</u>	<u>Proposed</u>
If paid annually in advance	\$ 259.97 per year	\$ 259.97 per year
Galloway Ridge Apartments and Villas	\$ 21.67 per month, per residence	\$ 21.67 per month, per residence

<u>Annual Commercial Flat Rates:</u>	<u>Present</u>	<u>Proposed</u>
Fearrington House Restaurant	\$2,599.23	\$2,599.23
Fearrington Inn	\$2,287.43	\$2,287.43
The Market	\$2,078.63	\$2,078.63
Village Beauty Shop	\$ 806.16	\$ 806.16
Fitch Creations, Inc. Admin. Building	\$ 806.16	\$ 806.16
Galloway Ridge Commercial Center	\$8,578.55	\$8,578.55

Reconnection Charges:

If sewer service cut off by utility for good cause	\$ 14.05	\$ 14.05
If sewer service discontinued at customer's request	\$ 14.05	\$ 14.05

PROCEDURE FOR PUBLIC WITNESS HEARING:

No public witness hearing has been scheduled. *The Commission may decide this matter without a public witness hearing if no significant protests are received from consumers within 45 days of the date of this notice.* If a public hearing is held, it will be in-person in or near your community. Correspondence concerning the transfer or the need for a public witness hearing should be directed to the Public Staff – North Carolina Utilities Commission (Public Staff).

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.

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 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 emailed to utilityAGO@ncdoj.gov.

Persons desiring to intervene in the matter as formal parties of record should file a motion under North Carolina Utilities Commission Rules R1-6, R1-7, and R1-19 no later than 45 days after the date of this notice. These motions should be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net under Docket Number "W-661 Sub 10."

This the ____ day of _____ 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 Nos. W-661, Sub 10 and W-1341, Sub 0, 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-661, Sub 10 and W-1341, Sub 0.

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-354, SUB 398
DOCKET NO. W-354, SUB 399

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. W-354, SUB 398

In the Matter of
Application by Carolina Water Service, Inc. of)
North Carolina, 5821 Fairview Road, Suite 401,)
Charlotte, North Carolina 28209, for)
Determination of Fair Value of Utility Assets)
Pursuant to N.C. Gen. Stat. § 62-133.1A and)
Establishing Rate Base for Acquisition of the)
Carteret County Water System)

DOCKET NO. W-354, SUB 399

In the Matter of)
Application by Carolina Water Service, Inc. of)
North Carolina, 5821 Fairview Road, Suite 401,)
Charlotte, North Carolina 28209, for a)
Certificate of Public Convenience and)
Necessity to Provide Water Utility Service to)
the Carteret County Water System, and for)
Approval of Rates)

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

BY THE COMMISSION: On July 26, 2022, Carolina Water Service, Inc. of North Carolina (CWSNC or the Applicant) filed an Application for Determination of Fair Value of Utility Assets Pursuant to N.C. Gen. Stat. § 62-133.1A and Establishing Rate Base for Acquisition of the Carteret County Water System in the above-referenced docket (Fair Value Application).

On August 2, 2022, CWSNC filed in Docket No. W-354, Sub 399 an Application for a Certificate of Public Convenience and Necessity and for Approval of Rates to provide water utility service to the Carteret County Water System in Carteret County, North Carolina (CPCN Application).

On August 5, 2022, the Public Staff notified CWSNC by letter filed with the Commission of its determination that additional enumerated information was necessary to complete its Fair Value Application as required by Commission Rule R7-41 and N.C.G.S. § 62-133.1A.

On August 11, 2022, the Commission issued an Order Finding Application Incomplete requiring the Applicant to file the omitted information and consult with the Public Staff to ensure the completeness of the Fair Value Application. The Commission's Order also required the Public Staff to file, no later than three business days following the Company's filing of supplemental information, a statement as to whether it deems the Fair Value Application to be complete.

On August 11, 2022, CWSNC filed Revised Exhibits supplementing its Fair Value Application.

On August 16, 2022, the Public Staff notified CWSNC by letter filed with the Commission that it had reviewed the supplemental information provided by CWSNC and deemed the Fair Value Application to be complete. Pursuant to N.C.G.S. § 62-133.1A(d), the Commission shall issue its final order, either approving the application by determining the rate base value of the acquired property for ratemaking purposes or denying the application, within six months of the date on which the complete application was filed.

On August 25, 2022, the Public Staff notified CWSNC by letter filed with the Commission of its determination that additional enumerated information was necessary to complete the CPCN Application filing as required by Commission's Form Revised 6/04, including required exhibits.

On August 26, 2022, CWSNC filed a Revised CPCN Application and responses to the deficiencies identified by the Public Staff.

The Carteret County Water System, owned by Carteret County (County or Seller), a municipality or county or an authority or district established under Chapter 162A of the General Statutes, is a "Local Government Utility" as defined by Commission Rule R7-41(b)(1). The Carteret County Water System consists of the two water systems, North River/Mill Creek (PWS ID NC0416197) and Merrimon (PWS ID NC0416198), including over 50 miles of water mains, three elevated storage tanks, one hydropneumatic tank, three wells, three booster pump stations, and a water treatment plant with associated wastewater treatment system (NPDES Permit NC0086975). The County presently serves a total of approximately 1,254 customers in Carteret County.

N.C.G.S. § 62-133.1A states in pertinent parts the following:

- Subpart (b)(1)c. Fair value, for ratemaking purposes under G.S. 62-133, shall be the average of the three appraisals provided for by this subsection.
- Subpart (b)(4) The rate base value of the acquired system, which shall be reflected in the acquiring public utility's next general rate case for ratemaking purposes, shall be the lesser of the purchase price negotiated between the parties to the sale or the fair

value plus the fees and costs authorized in subdivision (3) of this subsection.¹

Subpart (e) Commission's Authority. – The Commission shall retain its authority under Chapter 62 of the General Statutes to set rates for the acquired system in future rate cases, and shall have the discretion to classify the acquired system as a separate entity for ratemaking purposes, consistent with the public interest. If the Commission finds that the average of the appraisals will not result in a reasonable fair value, the Commission may adjust the fair value as it deems appropriate and in the public interest.

On October 18, 2021, CWSNC and the County entered into a utility asset purchase agreement whereby CWSNC agreed to purchase the County's water utility system assets for a purchase price of \$9,500,000. The average of the three appraisals is \$10,935,667.

The County's present water utility rates have been in effect since September 21, 2021, and are filed as Exhibit 11 to the Fair Value Application. Upon acquisition of the system, CWSNC proposes to continue to charge the County's present rates with limited proposed modifications, see Revised Exhibit 12 to the Fair Value and CPCN Applications. The present rates are as follows:

<u>Monthly Metered Water Service:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge		
North River/Mill Creek:		
3/4" meter, includes first 1,000 gallons	\$ 40.25	\$ 40.25
1" meter, includes first 1,000 gallons	\$ 55.60	\$ 55.60
2" meter, includes first 15,000 gallons	\$160.90	\$160.90
4" meter, includes first 53,000 gallons	\$497.25	\$497.25
Town of Beaufort (Eastman's Creek):		
3/4" meter, includes first 1,000 gallons	\$ 40.25	\$ 40.25
Merrimon:		
3/4" meter, includes first 1,000 gallons	\$ 23.40	\$ 23.40
Usage Charge, per 1,000 gallons over base	\$ 10.10	\$ 10.10

Based on an assumed usage of 4,000 gallons per month, the monthly water utility bill is \$70.55.

¹ Subpart (b)(3) Reasonable fees, as determined by the Commission, paid to utility valuation experts, may be included in the cost of the acquired system, in addition to reasonable transaction and closing costs incurred by the acquiring public utility.

Upon acquisition of the system and as part of its next rate case after the pending case in Docket No. W-354, Sub 400, CWSNC intends to propose that the Carteret County Water System customers be included in and charged the CWSNC Uniform Rates for metered water utility service, subject to Commission approval.² If the full amount of the projected rate increase, including the request for uniform rates, were approved by the Commission in the timeframe projected by CWSNC, the average monthly bill charged to a residential customer for water utility service could be as follows:

<u>Year</u>	<u>Monthly Water Utility Bill</u>	<u>Increase</u>
2023	\$70.55	0.00%
2024	\$70.55	0.00%
2025	\$70.55	0.00%
2026	\$70.55	0.00%
2027	\$98.24	39.25%

Within the first year upon acquisition, CWSNC plans to make tank improvements in the estimated amount of \$125,000. CWSNC states in its Applications that no major improvements or additions are planned in the next ten years.

The Public Staff presented this matter at the Commission's Staff Conference on September 12, 2022. The Public Staff recommended that the matters be scheduled for a joint public witness hearing for the sole purpose of receiving testimony from customers; the matters also be scheduled for separate expert witness hearings for the sole purpose of receiving expert witness testimony from CWSNC, the County, the Public Staff, and intervenors, if any; and CWSNC should be required to provide notice to all affected customers of the Fair Value and CPCN Applications, 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 schedules, including filing requirements of CWSNC, the County, the Public Staff, and other parties, and requires that CWSNC provide public notice to all affected customers of the Fair Value and CPCN Applications, including the applied for rates and the scheduled hearings.

The guidelines regarding discovery in these dockets, 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 future change in rates proposed by CWSNC would require filing a general rate case application pursuant to N.C.G.S. § 62-134 and approval by the Commission. The future rates are based on projections and thus are subject to change and could be less or more than the projected \$98.24 per customer.

2. Any motion for subpoena of a witness to appear at either expert witness hearing shall be filed with the Commission before the applicable 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.G.S. § 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 Applications 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 addressing the associated Application or 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 two business 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.

5. Formal discovery requests related to prefiled rebuttal testimony shall be served by hand delivery, facsimile, or electronic delivery with CWSNC's and the County's agreement, no later than two business days after the filing of such testimony. The party served shall have up to two business days to file with the Commission objections to the discovery requests on an item-by-item basis. 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 at [Time], on Tuesday, October 18, 2022, in the Carteret County Courthouse, Courtroom #___, Room _____, 300 Courthouse Square, Beaufort, North Carolina;

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

4. That CWSNC is required to file a report addressing all customer service and service quality complaints expressed at the public hearing within 14 days after the public witness hearing;

5. That an officer or representative from both CWSNC and the County is required to appear before the Commission at the time and place of the expert witness hearings to testify concerning any of the information contained in the Applications;

6. 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, the County, 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;

7. 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

8. 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 seven business 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 10 calendar days after the date of this Order.

Fair Value Application

9. That the Fair Value Application is scheduled for an expert witness hearing beginning at [Time], on [Day of Week], [Date], 2022, 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;

10. That on or before [Day of Week], [Date], 2022, 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;

11. That the Public Staff and intervenors, if any, shall file their testimony on or before [Day of Week], [Date], 2022, which is 20 days prior to the expert witness hearing;

12. That CWSNC and the County shall file their rebuttal testimony, if any, on or before [Day of Week], [Date], 2022, which is 10 days prior to the expert witness hearing;

13. That CWSNC shall consult with all other parties and file, no later than [Day of Week], [Date], 2022, 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], 2022, make a filing indicating their points of disagreement with CWSNC's filing;

CPCN Application

14. 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;

15. 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;

16. That the Public Staff and intervenors, if any, shall file their testimony on or before [Day of Week], [Date], which is [number of days, typically 30] days prior to the expert witness hearing;

17. That CWSNC and the County shall file their rebuttal testimony, if any, on or before [Day of Week], [Date], which is [number of days, typically 15] days prior to the expert witness hearing;

18. 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;

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of September 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-354, SUB 398
DOCKET NO. W-354, SUB 399**

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is hereby given that Carolina Water Service, Inc. of North Carolina (CWSNC or the Applicant) filed an Application for Determination of Fair Value of Utility Assets Pursuant to N.C. Gen. Stat. § 62-133.1A and Establishing Rate Base for Acquisition of the Carteret County Water System in Docket No. W-354, Sub 398 (Fair Value Application) and an Application for a Certificate of Public Convenience and Necessity and for Approval of Rates to provide water utility service to the Carteret County Water System in Carteret County, North Carolina in Docket No. 399 (CPCN Application).

The Carteret County Water System, owned by Carteret County (County or Seller), a municipality or county or an authority or district established under Chapter 162A of the General Statutes, is a "Local Government Utility" as defined by Rule R7-41(b)(1). The Carteret County Water System consists of the two water systems, North River/Mill Creek (PWS ID NC0416197) and Merrimon (PWS ID NC0416198), including over 50 miles of water mains, three elevated storage tanks, one hydropneumatic tank, three wells, three booster pump stations, and a water treatment plant with associated wastewater treatment system (NPDES Permit NC0086975). The County presently serves a total of approximately 1,254 customers in Carteret County.

N.C.G.S. § 62-133.1A states in pertinent parts the following:

- Subpart (b)(1)c. Fair value, for ratemaking purposes under G.S. 62-133, shall be the average of the three appraisals provided for by this subsection.
- Subpart (b)(4) The rate base value of the acquired system, which shall be reflected in the acquiring public utility's next general rate case for ratemaking purposes, shall be the lesser of the purchase price negotiated between the parties to the sale or the fair value plus the fees and costs authorized in subdivision (3) of this subsection.¹

¹ Subpart (b)(3) Reasonable fees, as determined by the Commission, paid to utility valuation experts, may be included in the cost of the acquired system, in addition to reasonable transaction and closing costs incurred by the acquiring public utility.

Subpart (e) Commission's Authority. – The Commission shall retain its authority under Chapter 62 of the General Statutes to set rates for the acquired system in future rate cases, and shall have the discretion to classify the acquired system as a separate entity for ratemaking purposes, consistent with the public interest. If the Commission finds that the average of the appraisals will not result in a reasonable fair value, the Commission may adjust the fair value as it deems appropriate and in the public interest.

On October 18, 2021, CWSNC and the County entered into a utility asset purchase agreement whereby CWSNC agreed to purchase the County's water utility system assets for a purchase price of \$9,500,000. The average of the three appraisals is \$10,935,667.

Within the first year upon acquisition, CWSNC plans to make tank improvements in the estimated amount of \$125,000. CWSNC states in its Applications that no major improvements/additions are planned in the next ten years.

EFFECT OF RATES:

The County's present water utility rates have been in effect since September 21, 2021, and are filed as Exhibit 11 to the Fair Value Application. Upon acquisition of the system, CWSNC proposes to continue to charge the County's present rates with limited proposed modifications, as set out in Revised Exhibit 12 to the Fair Value Application and the CPCN Application. The present rates are as follows:

<u>Monthly Metered Water Service:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge		
North River/Mill Creek:		
$\frac{3}{4}$ " meter, includes first 1,000 gallons	\$ 40.25	\$ 40.25
1" meter, includes first 1,000 gallons	\$ 55.60	\$ 55.60
2" meter, includes first 15,000 gallons	\$160.90	\$160.90
4" meter, includes first 53,000 gallons	\$497.25	\$497.25
Town of Beaufort (Eastman's Creek):		
$\frac{3}{4}$ " meter, includes first 1,000 gallons	\$ 40.25	\$ 40.25
Merrimon:		
$\frac{3}{4}$ " meter, includes first 1,000 gallons	\$ 23.40	\$ 23.40
Usage Charge, per 1,000 gallons over base	\$ 10.10	\$ 10.10

Based on an assumed usage of 4,000 gallons per month, the monthly water utility bill is \$70.55.

Upon acquisition of the system and as part of its next rate case after the pending case in Docket No. W-354, Sub 400, CWSNC intends to propose the Carteret County Water System customers be included in and charged the CWSNC Uniform Rates for metered water utility service, subject to Commission approval.² If the full amount of the projected rate increase, including the request for uniform rates, were approved by the Commission in the timeframe projected by CWSNC, the average monthly bill charged to a residential customer for water utility service could be as follows:

<u>Year</u>	<u>Monthly Water Utility Bill</u>	<u>Increase</u>
2023	\$70.55	0.00%
2024	\$70.55	0.00%
2025	\$70.55	0.00%
2026	\$70.55	0.00%
2027	\$98.24	39.25%

PROCEDURES FOR HEARINGS:

The Commission has scheduled the following hearings on the Application:

Public witness hearing beginning at [Time], on [Day of Week], [Date], 2022, in the Carteret County Courthouse, Courtroom #__, Room ____, 300 Courthouse Square, Beaufort, North Carolina.

The public witness hearing on [Date], 2022, 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 hearings beginning at [Time], on [Day of Week], [Date], 2022, and continuing as necessary until conclusion regarding the Fair Value Application filed Docket No. W-354, Sub 398 and *beginning* at [Time], on [Day of Week], [Date], and continuing as necessary until conclusion regarding the CPCN Application filed in Docket No. W-354, Sub 399. The hearings will be held in the Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. The hearings scheduled for [Date], 2022 and [Date], shall be conducted solely for the purpose

² Any future change in rates proposed by CWSNC would require filing a general rate case application pursuant to N.C.G.S. § 62-134 and approval by the Commission. The future rates are based on projections and thus are subject to change and could be less or more than the projected \$98.24 per customer.

of receiving testimony of CWSNC, the County, 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 these matters 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], 2022* in Docket No. W-354, Sub 398 and *[Day of Week], [Date]* in Docket No. W-354, Sub 399. 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 these proceedings can also be accessed searching for Docket Number "W-354 Sub 398" and "W-354 Sub 399" in the docket search on the Commission's website at www.ncuc.net.

This the ____ day of September 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 No. W-354, Subs 398 and 399, 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-354, Subs 398 and 399.

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-1324, SUB 1

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by West Springdale, LLC,)
d/b/a Springdale Water and Sewer, LLC,)
200 Golfwatch Road, Canton, North Carolina)
28716, for Authority to Adjust and Increase)
Rates for Water and Wastewater Utility Service)
to the Springdale Estates Subdivision and)
Springdale Country Club in Haywood County,)
North Carolina)

	ORDER SCHEDULING HEARINGS, ESTABLISHING DISCOVERY GUIDELINES, AND REQUIRING CUSTOMER NOTICE
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BY THE CHAIR: On June 8, 2022, West Springdale, LLC, d/b/a Springdale Water and Sewer, LLC (Springdale or Applicant), filed an application with the Commission seeking authority to increase its rates for providing water and wastewater utility service to the Springdale Estates Subdivision and Springdale Country Club (together, Springdale Estates) in Haywood County, North Carolina (Application). The Application states that Springdale serves approximately 111 metered water customers and 50 metered wastewater customers.

On June 29, 2022, the Commission issued an Order Establishing General Rate Case and Suspending Rates, which declared this proceeding to be a general rate case and suspended the proposed new rates for up to 270 days pursuant to N.C. Gen. Stat. §§ 62-137 and 134, respectively.

Springdale's current rates became effective and final on September 30, 2020, in Docket No. W-1324, Sub 0. Springdale's current and proposed rates are as follows:

<u>Monthly Metered Water Rates:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge, zero usage	\$ 9.35	\$ 15.00
Usage Charge, per 1,000 gallons	\$ 3.75	\$ 7.00

<u>Monthly Metered Sewer Rates:</u>		
Base Charge, zero usage	\$ 12.30	\$ 20.00
Usage Charge, per 1,000 gallons	\$ 3.85	\$ 7.25

Other Charges:

Connection Charges:		
Per water tap (existing mains)	\$ 350	\$2,000
Per sewer tap (existing mains)	\$ 950	\$4,000

Per water tap (for extension of mains only)	\$ 500	\$ 500
Per sewer tap (for extension of mains only)	\$1,000	\$1,000
Reconnection Charges:		
If water service cut off by utility for good cause	\$ 14.36	\$ 25.00
If water service discontinued at customer's request	\$ 14.36	\$ 25.00
If sewer service cut off by utility for good cause	\$ 14.10	\$ 25.00

The Public Staff presented this matter at the Commission's Staff Conference on September 12, 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 should also be scheduled for an expert witness hearing for the sole purpose of receiving expert witness testimony from Springdale, the Public Staff, and intervenors, if any; and that Springdale should 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 Springdale, the Public Staff, and other parties, and requires that Springdale 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, 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, as required by N.C.G.S. § 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 the Applicant's prefiled direct and supplemental testimony shall be served on the Applicant by hand delivery, facsimile, or electronic delivery (with the Applicant's agreement), no later than 14 calendar days prior to the filing of Public Staff and other intervenor testimony. The Applicant shall have up to ten 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 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 the Applicant'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 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 the guidelines.

The Commission concludes that the matter should be scheduled for a public witness hearing for the sole purpose of receiving testimony from customers, subject to cancellation if no significant protests are received subsequent to customer notice; that the matter should be scheduled for an expert witness hearing for the sole purpose of receiving expert testimony from the Applicant, the Public Staff, and intervenors, if any; and that the Applicant should be required to provide notice to its customers of the Application,

including the applied for rates and the scheduled hearings.

IT IS, THEREFORE, ORDERED as follows:

1. That the test year period is established as the 12-month period ending September 30, 2021;

2. That a public witness hearing for the sole purpose of receiving testimony from Springdale's service area customers is scheduled as follows:

Waynesville, North Carolina: at [Time], on [Day of Week], [Date], at the Haywood County Courthouse, Courtroom [Courtroom number], 285 North Main Street;

3. 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);

4. That the Applicant is required to file separately, a verified report addressing all customer service and service quality complaints expressed during the public witness hearing held on [Date], within 21 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 the Applicant's report on or before [Date];

5. 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;

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

7. The Applicant 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 Springdale shall file its rebuttal testimony, if any, on or before [Day of Week], [Date], which is 20 days prior to the expert witness hearing;

8. 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;

9. The Applicant 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 Springdale's filing;

10. That an officer or representative of the Applicant is required to appear in person before the Commission at the time and place of the expert witness hearing to testify concerning any of the information contained in the Application. If the Applicant desires to cross-examine any witnesses at the hearing, the Applicant shall be represented by legal counsel at this hearing;

11. 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 the Applicant 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;

12. 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 Springdale 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

13. That the Notice to Customers, attached hereto as Appendix A, shall be mailed with sufficient postage or hand delivered by the Applicant to all affected customers no later than ten days after the date of this Order and that the Applicant 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 _____ 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-1324, SUB 1**

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is hereby given that West Springdale, LLC, d/b/a Springdale Water and Sewer, LLC (Springdale or the Company), 200 Golfwatch Road, Canton, North Carolina 28716, has filed an application with the North Carolina Utilities Commission (Commission) on June 8, 2022, seeking authority to increase its rates for providing water and wastewater utility service to the Springdale Estates Subdivision and Springdale Country Club (together, Springdale Estates) in Haywood County, North Carolina.

The present and proposed rates and charges are as follows:

<u>Monthly Metered Water Rates:</u>	<u>Present</u>	<u>Proposed</u>
Base Charge, zero usage	\$ 9.35	\$ 15.00
Usage Charge, per 1,000 gallons	\$ 3.75	\$ 7.00

<u>Monthly Metered Sewer Rates:</u>		
Base Charge, zero usage	\$ 12.30	\$ 20.00
Usage Charge, per 1,000 gallons	\$ 3.85	\$ 7.25

Other Charges:

Connection Charges:

Per water tap (existing mains)	\$ 350	\$2,000
Per sewer tap (existing mains)	\$ 950	\$4,000
Per water tap (for extension of mains only)	\$ 500	\$ 500
Per sewer tap (for extension of mains only)	\$1,000	\$1,000

Reconnection Charges:

If water service cut off by utility for good cause	\$ 14.36	\$ 25.00
If water service discontinued at customer's request	\$ 14.36	\$ 25.00
If sewer service cut off by utility for good cause	\$ 14.10	\$ 25.00

The Commission may consider additional or alternative rate design proposals which were not included or proposed in the original application and may order increases or decreases in the utility rate schedules which differ from those proposed by the Applicant. However, any rate structure considered will not generate more overall revenues than requested.

EFFECT OF RATES

The present water and sewer rates became effective and final on September 30, 2020, pursuant to the Commission's Order dated September 14, 2020, in Docket No. W-1324, Sub 0. The proposed rates would increase the average monthly bill for water and

sewer utility services by 74% from \$42.93 to \$74.90, based upon 2,800 gallons of usage. The average monthly bill for water-only services would increase by 74% from \$19.85 to \$34.60, based upon 2,800 gallons of usage. The proposed water connection charge for existing mains represents an approximate 471% increase over present rates and the proposed sewer connection charge for existing mains represents an approximate 321% increase over present rates. There is no increase for water and/or sewer connection charges for extensions of mains for all service areas. Reconnection charges would increase by 74% for water utility services and 77% for sewer utility services.

PROCEDURES FOR PUBLIC HEARINGS

The Commission has scheduled the following hearings on the Application:

Public witness hearing beginning at [Time], on [Day of Week], [Date]. The hearing will be held at the Haywood County Courthouse, Courtroom [Courtroom number], 285 North Main Street, in Waynesville, North Carolina. The public witness hearing on [Date], will be conducted for the purpose of receiving the testimony of Springdale's customers in accordance with Commission Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearing; and

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 Springdale, 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 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 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 Commission's 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-1324 Sub 1."

This the ____ day of _____ 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-1324, Sub 1, 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-1324, Sub 1.

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

Notary Public

Printed Name

(SEAL) My Commission Expires:

Date

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