

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

NEWS RELEASE

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NCUC DIRECTS PUBLIC WATER SYSTEMS TO INSTITUE HEIGHTENED CONSERVATION EFFORTS

The North Carolina Utilities Commission is pressing Commission-regulated water companies to comply with Governor Mike Easley's call for voluntary reduction in water usage. On September 13, 2007, Governor Mike Easley called on all public water systems and other water users throughout North Carolina to reduce their water use as much as practicable and to conserve water as the drought has spread statewide. In addition, the Governor continues to direct state agencies in all 100 counties to stop non-essential water use and asks all citizens to cut back their water consumption by twenty percent.

The Utilities Commission has strongly encouraged all water utilities regulated by this Commission to comply with the Governor's request immediately, if they have not already done so. The Commission commended those companies that have already undertaken conservation measures and impressed upon all companies the imperative for working with their customers to focus on significantly reducing water consumption. The Commission has requested that its regulated companies promptly inform the

Commission in the event that voluntary conservation measures are not adequate and a system becomes adversely affected by the continuing drought and high demand.

The Commission reminded regulated companies of their on-going responsibility to manage their water resources in the best interest of the Public and stated that it expects immediate and full compliance with the voluntary reduction targets established by the Governor's Office. All affected companies are cautioned that if voluntary conservation efforts are not successful, the Commission will order mandatory water use restrictions.

The Commission regulates some 577 private companies that provide water and sewer service thoughout the State, many of which are public water systems serving in the 98 counties of the State experiencing the severe, extreme, or exceptional drought. The Commission will closely monitor the effect of the drought on these systems and will continue working with the North Carolina Drought Monitoring Council and Governor Easley to assist in ensuring adequate and safe water supplies during the drought. The Commission is poised to take additional steps, as necessary, to support the Governor's efforts to manage the State's water supply.