

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 497

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 Adjust)
And Increase Rates for Water and)
Sewer Utility Service for all Areas)
in North Carolina)
	ORDER ALLOWING
	COMMENTS

BY THE PRESIDING COMMISSIONER: On December 18, 2018, in Docket No. W-218, Sub 497, the Commission issued an Order Approving Partial Settlement Agreement and Stipulation, Granting Partial Rate Increase, and Requiring Customer Notice.

Ordering Paragraph No. 25 of the Commission's December 18, 2018 Order, at page 186, provides as follows:

25. That Aqua NC shall, within 30 days following issuance of this Order, make a compliance filing to show its present and future accounting treatment, in a manner consistent with the findings and conclusions of the Commission herein, of the capacity purchased from, and transmission expenses paid to, Johnston County. Such filing shall include the net rate base adjustment and total revenue requirement effect to the Company as a result of the Commission's determinations of these issues herein.

On January 18, 2019, Aqua North Carolina, Inc. (Aqua NC or Company), filed the affidavit of Tammy S. Bernard, Senior Accountant III for Aqua NC, which provided a partial response to the requirements of Ordering Paragraph No. 25. In particular, Affiant Bernard provided the Company's present accounting treatment of the capacity purchased from, and transmission expenses paid to, Johnston County. Aqua NC requested additional time to prepare and file its response to Ordering Paragraph No. 25 with respect to the Company's future accounting treatment of the capacity purchased from, and transmission expenses paid to, Johnston County and the net rate base adjustment and total revenue requirement effect to the Company as a result of the Commission's determinations in the December 18, 2018 Order. On January 24, 2019, the Commission issued an Order accepting the Affidavit of Tammy S. Bernard into the record and granting Aqua NC an extension of time until March 15, 2019, to file the remainder of its response to Ordering Paragraph No. 25.

On March 15, 2019, Aqua NC filed the affidavit of Edward P. Thill, Controller II for Aqua NC, which provided the Company's remaining response in compliance with Ordering Paragraph No. 25 of the December 18, 2018 Order, concerning the future accounting treatment of the Johnston County transmission and capacity fees.

On June 19, 2019, the Public Staff – North Carolina Utilities Commission (Public Staff) filed comments regarding the Affidavit of Edward P. Thill and requested that the Commission issue an order requiring Aqua NC to record all Johnston County reservation capacity and transmission fees received from the Flowers Plantation Buffalo Creek developers as contributions in aid of construction when received.

Based on the foregoing and the entire record in this proceeding, the Presiding Commissioner finds good cause to accept the Affidavit of Edward P. Thill into the record and to allow reply comments from Aqua NC and other interested parties regarding the initial comments filed by the Public Staff on June 19, 2019, in response to the Affidavit of Edward P. Thill. Further, the Presiding Commissioner recognizes that the Public Staff filed its June 19, 2019 comments regarding the Affidavit of Edward P. Thill although the Commission did not issue an order requesting comments. Consequently, the Commission finds it appropriate to allow interested parties to also file initial comments regarding the Affidavits of Tammy S. Bernard and Edward P. Thill.

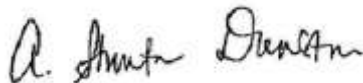
IT IS, THEREFORE, ORDERED as follows:

1. That the Affidavit of Edward P. Thill filed on March 15, 2019, in Docket No. W-218, Sub 497, is hereby accepted into the record.
2. That on or before Friday, July 26, 2019, Aqua NC and other interested parties may file reply comments regarding the Public Staff's June 19, 2019 comments and interested parties may also file initial comments regarding the Affidavits of Tammy S. Bernard and Edward P. Thill, as noted herein.

ISSUED BY ORDER OF THE COMMISSION.

This the 27th day of June, 2019.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Deputy Clerk