STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1320, SUB 0 DOCKET NO. W-1300, SUB 55 DOCKET NO. W-1320, SUB 2 DOCKET NO. W-661, SUB 9

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. W-1320, SUB 0 DOCKET NO. W-1300, SUB 55)
In the Matter of Application by ONSWC - Chatham North, LLC, 4700 Homewood Court, Suite 108, Raleigh, North Carolina 27609, and Old North State Water Company, LLC, 4700 Homewood Court, Suite 108, Raleigh, North Carolina 27609, for Authority to Transfer the Briar Chapel Subdivision Wastewater System and Franchise in Chatham County, North Carolina, and Approval of Rates)))))))) ORDER CANCELLING) HEARING
DOCKET NO. W-1320, SUB 2 DOCKET NO. W-661, SUB 9)))
In the Matter of Application by ONSWC - Chatham North, LLC, 4700 Homewood Court, Suite 108, Raleigh, North Carolina 27609, and Fitch Creations, Inc., d/b/a Fearrington Utilities, 2000 Fearrington Village Center, Pittsboro, North Carolina 27312, for Authority to Transfer the Fearrington Village Wastewater System and Franchise in Chatham County, North Carolina, and Approval of Rates))))))))))

BY THE PRESIDING COMMISSIONER: On March 14, 2019, in Docket Nos. W-1320, Sub 0 and W-1300, Sub 55, ONSWC - Chatham North, LLC (Chatham North), and Old North State Water Company, LLC (Old North State), filed an application seeking authority to transfer to Chatham North, an affiliate of Old North State, the Briar Chapel Subdivision wastewater utility system assets and franchise in Chatham County, and for approval of rates.

On August 5, 2019, in Docket Nos. W-1320, Sub 2 and W-661, Sub 9, Chatham North and Fitch Creations, Inc. d/b/a Fearrington Utilities (FCI) filed an application seeking

authority to transfer to Chatham North, the Fearrington Village wastewater utility system assets and franchise in Chatham County, and for approval of rates.

On October 14, 2019, the Commission issued an Order Consolidating Dockets, Scheduling Hearings, and Requiring Customer Notice in these dockets scheduling a public hearing that was held Pittsboro on Tuesday, January 14, 2020, solely for the purpose of receiving testimony from the Briar Chapel and Fearrington Village customers. At least 230 customers attended the hearing, and a total of 32 customer testified, nearly all of which were Briar Chapel customers. Five witnesses were members of the Board of Directors of the Briar Chapel Community Association (BCCA), who subsequently informed the Public Staff that the BCCA has been attempting to hire an attorney to represent it in this proceeding. In addition, a petition to deny the transfer of the Fearrington Village wastewater utility system, which was signed by approximately 637 Briar Chapel customers, was introduced as an exhibit at the hearing.

In the October 14, 2019 order, the Commission further scheduled a hearing to be held in Raleigh on Wednesday, January 22, 2020, solely for the purpose of receiving expert witness testimony from Chatham North, Old North State, FCI, the Public Staff, and any other intervenors.

On January 21, 2020, the Public Staff filed a motion requesting that the January 22, 2020 expert witness hearing be rescheduled in order for the Public Staff and the customers to further investigate and prepare testimony on the customer service issues at Briar Chapel, and to provide an opportunity for Chatham North and Old North State to develop and successfully implement procedures and operational modifications to resolve the customer service issues. The Public Staff states that given the relatively few customer protests filed before the hearing, it was surprised by the extent of the opposition expressed at the hearing. The Public Staff further states that it has not received the Commission-ordered companies' responses to the customer testimony at the January 14, 2020 hearing, and that it does not have adequate time to prepare for the January 22, 2020 hearing

The Public Staff, therefore requests (1) that the Commission allow the intervention of the BCCA, (2) that the expert witness hearing be rescheduled for a date 150 days or more beyond January 22, 2020, (3) that the parties be permitted to conduct discovery prior to the rescheduled evidentiary hearing, and (4) that the Commission establish dates for the pre-filing of company and intervenor testimony in advance of the rescheduled hearing. Counsel for Chatham North and Old North State orally advised the Commission that they do not oppose the Public Staff's motion.

After careful consideration, the Presiding Commissioner finds good cause to cancel the hearing currently scheduled for January 22, 2020, to allow for further investigation by the Public Staff and other intervenors. The Commission will reschedule the expert witness hearing in this proceeding by further order, establishing therein dates for additional testimony. Practice before the Commission includes reasonable discovery, and no order is necessary to authorize the parties to engage in further discovery between now and the rescheduled hearing. Should the BCCA wish to become a party to this

proceeding, it may file a petition to intervene. Lastly, because this Motion was filed only the day before the hearing, the Presiding Commission will further order the Chatham North, Old North State, and FCI to post notice on their respective websites of the cancellation of tomorrow's hearing and to make all reasonable efforts to communicate such notice to customers and to the BCCA.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the hearing currently scheduled for Wednesday, January 22, 2020, solely for the purpose of receiving expert witness testimony from Chatham North, Old North State, FCI, the Public Staff, and any other intervenors shall be canceled and rescheduled by further order of the Commission; and
- 2. That Chatham North, Old North State, and FCI shall post notice on their respective websites of the cancellation of the January 22, 2020 hearing and shall make all reasonable efforts to communicate such notice to customers and to the BCCA

ISSUED BY ORDER OF THE COMMISSION.

This the 21st day of January, 2020.

NORTH CAROLINA UTILITIES COMMISSION

Kimberley A. Campbell, Chief Clerk