

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1305, SUB 29
DOCKET NO. W-1300, SUB 69

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

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| In the Matter of | |
| Joint Application by Pluris Hampstead, LLC, |) |
| 5950 Berkshire Lane, Suite 800, Dallas, Texas |) |
| 75225, for Authority to Acquire the Sewer Utility |) |
| Systems Serving Majestic Oaks and Hampstead |) |
| Shopping Center, Southside Commons (formerly |) |
| Grey Bull), Majestic Oaks West, and Salter's |) |
| Haven at Lea Marina in Pender County, North |) |
| Carolina from Old North State Water Company, |) |
| LLC, and Approval of Rates |) |
| | ORDER GRANTING MOTION AND APPROVING BULK SEWER RATE |

BY THE COMMISSION: On October 9, 2020, Pluris Hampstead, LLC, (Pluris Hampstead) filed a joint application with Old North State Water Company, LLC, (ONSWC) seeking authority to acquire the sewer systems serving Majestic Oaks and Hampstead Shopping Center, Southside Commons (formerly Grey Bull), Majestic Oaks West, and Salter's Haven at Lea Marina (collectively, the Service Area) in Pender County, North Carolina. The application stated that there are 171 customers. Pending before the Commission under Docket Nos. W-1300, Sub 20, and Docket No. W-1300, Subs 30 and 56, are an Application for a Certificate of Public Convenience and Necessity and two Notifications of Contiguous Extension, respectively, involving Southside Commons, Majestic Oaks West, and Salter's Haven at Lea Marina.

On January 8, 2021, Pluris Hampstead amended its application to reflect the correct current and proposed residential sewer flat rate of \$56.40, previously approved by the Commission in Docket Nos. W-1300, Sub 11 and M-100, Sub 138, and provided documentation in support of its joint application. On January 27, 2021, Pluris Hampstead filed the Asset Purchase Agreement (APA).

On February 9, 2021, the Commission issued an Order requiring Customer Notice, stating that the matter may be determined without scheduling a public hearing, if no significant protests are received from consumers on or before March 26, 2021.

Pluris Hampstead has entered into an APA, executed September 11, 2020, with ONSWC to acquire the wastewater utility assets that serve or will serve the properties in the Service Area. The APA further provides that ONSWC will retain ownership of the wastewater treatment plant (WWTP) located in the Majestic Oaks development and will provide transitional wastewater treatment services to Pluris Hampstead for at least 150 days after the closing of the APA; during which time Pluris Hampstead will construct a lift station and facilities necessary to interconnect the collection systems in the Service Area to Pluris Hampstead's force main. Wastewater collected from the properties in the

Service Area will be treated at Pluris Hampstead's membrane bio-reactor WWTP in Hampstead, North Carolina.

Due to significant regulatory compliance issues with the existing ONSWC WWTP, on March 4, 2021, ONSWC and Pluris Hampstead entered into a First Amendment to APA (First Amendment), providing that after receiving approval from the North Carolina Department of Environmental Quality, Division of Water Quality, Pluris Hampstead will construct the lift station and other facilities necessary to establish the interconnection to the Pluris Hampstead WWTP prior to the closing of the APA so that Pluris Hampstead can provide bulk wastewater treatment service to ONSWC. The First Amendment provides that ONSWC shall maintain the collection systems serving the properties in the Service Area in compliance with all applicable regulatory and regulations and requirements.

On March 17, 2021, ONSWC filed a Motion requesting approval for bulk wastewater treatment by Pluris Hampstead for the Service Area, and on March 31, 2021, ONSWC filed a Second Amendment to the APA, clarifying the bulk rate for sewer treatment.

The proposed bulk rate for sewer treatment is ONSWC's current monthly rates approved in Docket No. W-1300, Sub 11, and Docket No. M-100, Sub 138, effective February 13, 2015, calculated based on the total number of ONSWC customers served by ONSWC per month during the period Pluris Hampstead provides bulk sewer service to ONSWC. Therefore, the bulk sewer rate will not impact the monthly rates paid by the customers.

The Public Staff presented this matter at the Commission's Staff Conference on April 5, 2021. The Public Staff stated that it had reviewed the APA and the Amendments and was of the opinion that allowing Pluris Hampstead to provide bulk sewer treatment for the Service Area during the interim was in the customers' best interest. The Public Staff recommends the Commission grant the motion to allow Pluris Hampstead to provide bulk sewer treatment for the Service Area and approve the proposed bulk sewer rate for sewer treatment .

Based on the foregoing, the record in its entirety, and the recommendations of the Public Staff, the Commission concludes that the motion should be granted pursuant to the terms and conditions of the APA as amended by the First and Second Amendments and that the bulk rate for sewer treatment should be approved.

IT IS, THEREFORE, ORDERED as follows:

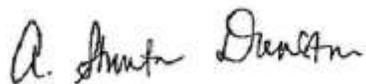
1. That the Motion for Pluris Hampstead to provide bulk wastewater service to ONSWC pursuant to the terms and conditions of the APA as amended by the First and Second Amendments is hereby granted;
2. That the proposed bulk rate for bulk sewer treatment in the Second Amendment to APA is approved; and

3. That the Schedules of Rates, attached hereto as Appendix A, is approved and deemed to be filed with the Commission pursuant to N.C. Gen. Stat. § 62-138. Said Schedule of Rates is authorized to become effective for service rendered on and after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 6th day of April, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "A. Shonta Dunston".

A. Shonta Dunston, Deputy Clerk

SCHEDULE OF RATES

for

PLURIS HAMPSTEAD, LLC

for providing bulk sewer utility service for

OLD NORTH STATE WATER COMPANY, LLC'S (ONSWC'S)
MAJESTIC OAKS AND HAMPSTEAD SHOPPING CENTER, MAJESTIC OAKS WEST,
SOUTHSIDE COMMONS, AND SALTER'S HAVEN AT LEA MARINA

in

Pender County, North Carolina

Monthly Bulk Sewer Rate: (based on the total number of ONSWC customers served by ONSWC per month during the period Pluris Hampstead, LLC, provides bulk services to ONSWC)

| | |
|-------------------------------------|----------|
| Residential service, per residence | \$ 56.40 |
| Nonresidential service, per REU | \$ 56.40 |
| Hampstead Shopping Center (14 REUs) | \$789.60 |

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Return Check Fee: \$25.00

Billing Frequency:
Monthly Bulk Sewer Rate 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 29, and Docket No. W-1300, Sub 69, on this the 6th day of April, 2021.