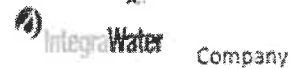


Old North State Water Co.



PO Box 10127
Birmingham, AL 35202-0127
Telephone: (205) 326-3200
Fax: (205) 326-6856
Toll Free: 877-511-2911

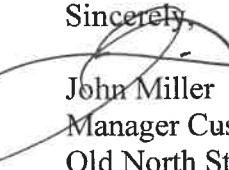
January 4, 2022

North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, NC 27699-4300

To Whom It May Concern:

Please find attached the certificate of service relating to Docket Number W-1300, Sub 60 which I have also included for reference. Please allow this as confirmation that all effected customers have been notified via USPS. Please let me know if there is anything further needed.

Sincerely,


John Miller
Manager Customer Service
Old North State Water Company
877-511-2911 Option 1
jmill@onswc.com

OFFICIAL COPY

Jan 11 2022

CERTIFICATE OF SERVICE

I, John McDonald, managing member of Old North State Water Company, LLC, mailed with sufficient postage or hand delivered to all affected customers the Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-1300, Sub 60 and the Notice was mailed or hand delivered by the date specified in the Order.

This the 30th day of December, 2021.

By: _____

Signature

John McDonald, managing member
[Old North State Water Company, LLC]

The above-named applicant, John McDonald, Old North State Water Company, LLC, 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 12/14/2021 in Docket No. W-1300, Sub 60.

Witness my hand and notarial seal, this 30th day of December 2021.

Erica Cochran
Notary Public

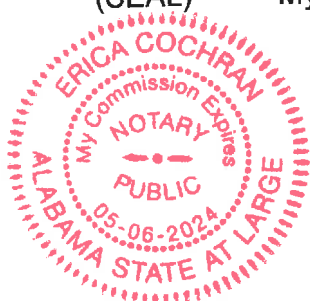
Erica Cochran

Printed or Typed Name

(SEAL)

My Commission Expires: May 6, 2024

Date



**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 60

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of:

Application by Old North State Water)	ORDER ACCEPTING
Company, LLC, 3212 6th Avenue South,)	FINANCIAL UNDERTAKING
Suite 200, Birmingham, Alabama 35222,)	AND APPROVING NOTICE
for Authority to Adjust and Increase)	TO CUSTOMERS OF
Rates for Water Utility Service in All)	RESCHEDULED HEARING
of Its Service Areas in North Carolina.)	AND TEMPORARY RATES

BY THE COMMISSION: On June 29, 2021, Old North State Water Company, LLC, (Old North State or the Company or Applicant) filed an application with the Commission seeking authority to adjust and increase its rates for providing water utility service in all its service areas in North Carolina (Application). On July 26, 2021, the Commission issued an Order Establishing General Rate Case and Suspending Rates pursuant to N.C. Gen. Stat. § 62-137 and N.C.G.S. § 62-134. On September 21, 2021, the Commission issued an Order Establishing Discovery Guidelines, Scheduling Hearings, and Requiring Customer Notice (September 21 Order). According to the September 21 Order, an expert witness hearing was scheduled for Thursday, December 2, 2021, at 10:00 a.m. in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina. The September 21 Order also contained a Notice to Customers in an Appendix and required the Applicant to mail the Notice to all water customers no later than seven days after the date of the September 21 Order.

On October 27, 2021, the Applicant and the Public Staff filed a joint Motion to Extend Filing Deadlines and Reschedule Expert Witness Hearing. In that motion, the Applicant stated its intention to later file a motion to request interim rates under bond and requested that any public notice required by the rescheduling of the hearing be combined with the public notice required for its forthcoming request for interim rates. On November 16, 2021, the Commission issued an Order Rescheduling Expert Witness Hearing and Extending Time to Provide Testimony. The expert witness hearing was rescheduled for Tuesday, March 8, 2022, at 10:00 a.m. The Commission stated that a notice to customers would be approved by subsequent order of the Commission.

On November 29, 2021, the Applicant filed a Notice of Intent to Place Temporary Rates into Effect, and Motion for Approval of an Undertaking and for Approval of Notice of Temporary Rates and Approval of Notice of Rescheduled Hearing (November 29 Motion). In the November 29 Motion, the Applicant: (1) notified the Commission of its intent to place temporary rates into effect pursuant to N.C.G.S. § 62-135; (2) moved the Commission to approve its proposed methodology for determining if refunds are due after final rates are established in this proceeding; (3) moved the Commission to approve an

attached combined Notice to Customers of Rescheduled Hearing and of Temporary Rates Effective January 29, 2022, Subject to Undertaking to Refund, and (4) moved the Commission to approve an attached Undertaking to Refund by the Company.

According to the Applicant, temporary rates will mitigate significant revenue loss that the Applicant is experiencing. The Applicant states that N.C.G.S. § 62-135(a) allows a utility to place into effect temporary rates under bond, subject to refund, notwithstanding a suspension order under N.C.G.S. § 62-134 such as exists in the present case. Such rates can be placed into effect no earlier than six months after the proposed rates would have become effective absent a suspension order. Adding the 30-day notice period of N.C.G.S. § 62-134(a) to the date the Application was filed yields an earliest date that new rates could have gone into effect, without the suspension order, of July 29, 2022. Six months from that date is January 29, 2022, the date the Applicant seeks to place its temporary rates into effect.

The Applicant proposes a method for calculating refunds of the temporary rates, if necessary, whereby it would issue refunds with interest to customers in any of its five rate classifications where the average bills under temporary rates exceeded the average bills under the final rates. The Applicant states that it has been advised that the Public Staff may recommend a comparison of bills under temporary rates to what the bills would have been under final rates for every individual customer for each month of temporary rates, rather than by rate classification. The Applicant request approval of its proposed methodology for determining if any refunds will be due after the final rates are established in this proceeding.

The Applicant requests Commission approval of the combined notice of the rescheduled date for the expert witness hearing and related deadlines with the notice of temporary rates and includes an Appendix with the combined notice. The Applicant states that the combined notice would be more efficient and cost-effective and would potentially reduce customer confusion.

Finally, the Applicant requests Commission approval of its Undertaking to Refund, which it also included as an attachment to its November 29 Motion.

On December 7, 2021, the Public Staff filed a Motion in Response to ONSWC's Request to Approve Methodology to Calculate Refunds. The Public Staff argues that N.C.G.S. § 62-135 does not require the Commission to determine at this time the methodology by which any excess rates collected should be refunded to customers, and requests that the Commission hold this request by Applicant in abeyance until final rates are approved, and provide the Public Staff the opportunity to comment on the proposed refund methodology if the customer bill impacts of the proposed interim rates are greater than the final, approved rates.

While N.C.G.S. § 62-135 affords the Applicant a remedy to address any perceived financial hardship during the pendency of a general rate case proceeding, the choice to exercise the remedy belongs to the Applicant and is not determined by the Commission. The Commission finds that Old North State has satisfied the statutory requirements necessary to place new rates into effect on a partial, temporary basis, subject to refund with interest at a rate of 10% per annum, effective January 29, 2022. The Commission also finds good cause to approve the Notice to Customers attached to this Order as Appendix A and to accept Old North State's Undertaking to Refund filed on November 29, 2021, in this docket.

The Commission agrees with the Public Staff that it does not need to determine the appropriate methodology for calculation of refunds to customers of any amount of temporary rates made effective on and after January 29, 2022, that are finally determined by the Commission to be excessive and therefore makes no such determination at this time. Should such a determination be necessary in the future it will be addressed in a later Commission order.

IT IS, THEREFORE, ORDERED as follows:

1. That the Commission takes no position on whether the Applicant should or should not invoke the rates under bond mechanism authorized by statute;
2. That the Notice to Customers, attached hereto as Appendix A, regarding the rescheduled expert witness hearing and the Applicant's intent pursuant to N.C.G.S. § 62-135 to place an increase in its rates and charges into effect on and after January 29, 2022, as set forth therein, be, and the same is hereby approved;
3. That should the Applicant decide to implement rates under bond, the applicable Notice to Customers attached as Appendix A shall be mailed with sufficient postage or hand delivered by Old North State to the respective customers no later than January 10, 2022; and that Old North State shall submit to the Commission the attached Certificate of Service properly signed and notarized no later than January 20, 2022;
4. That no rate or rates placed into effect pursuant to this notice shall result in an increase of more than 20% on any single rate classification of the Applicant;
5. That the determination of the appropriate methodology for the calculation of refunds to customers of any amount of temporary rates collected in excess of those the Commission ultimately determines to be appropriate, if any, shall be addressed in a future order of the Commission;
6. That Old North State shall be, and is hereby, obligated to refund to its customers any amount of temporary rates made effective on or after January 29, 2022, that are finally determined by the Commission to be excessive, plus 10% interest per annum, and to make any refunds in a manner consistent with any additional terms and conditions imposed by the Commission in subsequent orders; and

7. That Old North State's executed Undertaking to Refund with interest, from the date that such rates are put into effect, any revenues in excess of those the Commission ultimately determines to be appropriate, filed by Old North State on November 29, 2021, in this docket be, and the same is hereby accepted.

ISSUED BY ORDER OF THE COMMISSION.

This the 14th day of December, 2021.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Erica N. Green". The signature is written in a cursive, flowing style.

Erica N. Green, Deputy Clerk