

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 Company, LLC, 3212 6th Avenue South, Suite 200, Birmingham, Alabama 35222, for Authority to Adjust and Increase Rates for Water Utility Service in All Its Service Areas in North Carolina) ORDER ACCEPTING LATE-FILED EXHIBITS, REQUESTING FURTHER LATE-FILED EXHIBITS, AND SETTING DATE FOR FILING OF BRIEFS AND PROPOSED ORDERS)

BY THE PRESIDING COMMISSIONER: On March 8, 2022, the Commission held an evidentiary hearing in the above-captioned docket on Old North State Water Company, LLC's (ONSWC or Company) Application for Rate Increase. At the hearing, evidence introduced by the Company and by the Public Staff was received into evidence, except that the Company did not move Late-Filed Updated Exhibit I of Laurie Oakman updating the Company's rate case expense into evidence in order to provide the Public Staff sufficient time to review the exhibit, which had not been made available until the day of the hearing.

Since the expert witness hearing on March 8, 2022, the Company has filed the following late-filed exhibits requested by the Commission:

1. Articles of Incorporation, Corrected Articles, and Operating Agreement for Old North State Water Company (filed March 11, 2022);
2. Letter explaining the typographical error that caused the difference between Oakman Rebuttal Exhibit 2 and the Public Staff's (Junis) corresponding exhibit with regard to purchased water systems (filed March 11, 2022);
3. Documentation of Company notes receivable and notes payable (constituting several documents the Company identified as confidential) (filed March 11, 2022);
4. Integra Water, LLC (Integra), consolidated and consolidating financial statements (confidential) (filed March 11, 2022); and
5. Response to complaint about water quality from Nicholas Egan at Ashcroft Park (filed March 16, 2022).

The Public Staff has not objected to the Company's late-filed exhibits, including Oakman's late-filed updated Exhibit I, being admitted into evidence; accordingly, they will be admitted into evidence and identified as marked when filed.

On March 21, 2022, in accordance with the Commission's request, the Public Staff filed Late-filed Exhibit No. 1 regarding the recording of affiliate loans on the Company's financial books. This exhibit shall be admitted into evidence, subject to further order of the Commission should the Company raise any timely objection.

The Commission requires the following information from the Company:

1. A copy of the signed promissory note from ONSWC to Integra Madison County, LLC, if a signed note exists;
2. Loan agreements dated January of 2019 and December of 2020, referenced in the promissory notes ONSWC gave to various Integra affiliates;
3. The December 4, 2020 loan agreement between Chatham North Holdings, Inc., and ONSWC referenced in the Chatham note receivable held by ONSWC;
4. A written explanation, under oath, of the reasons why Integra's consolidated and consolidating balance sheets show that ONSWC's financial results are not consolidated with Integra's.

Late-filed exhibits submitted by the Company in response to this Order shall be entered into evidence in this matter when filed, subject to further order of the Commission should the Public Staff raise any timely objection.

The public and confidential transcripts from the expert witness hearing were filed in the docket on March 11, 2022.

IT IS, THEREFORE, ORDERED as follows:

1. That the late-filed exhibits submitted by the Company are hereby admitted into the evidentiary record in this matter;
2. That the Public Staff's late-filed exhibit relating to the recording of affiliate loans on the Company's books is hereby admitted into the evidentiary record;
3. That late-filed exhibits filed by the Company in response to this Order shall be admitted into the evidentiary record upon filing;

4. That the Company and the Public Staff shall file a joint proposed order no later than thirty days of the issuance of this Order and shall file any post-hearing briefs within the same time period.

ISSUED BY ORDER OF THE COMMISSION.

This the 29th day of March, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink that reads "Erica N. Green". The signature is written in a cursive style with a large, stylized "E" and "G".

Erica N. Green, Deputy Clerk