



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

October 15, 2018

Ms. M. Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Re: Docket No. W-218, Sub 497

Dear Ms. Jarvis:

On October 11, 2018, the Public Staff filed a Late Filed Exhibit Relating to the Flowers Plantation Contributions in Aid of Construction Issues in Docket No. W-218, Sub 497.

The filing incorrectly references W-274, Sub 309 on pages 7 and 8. The correction to these references is W-274, Sub 609. The corrected versions of pages 7 and 8 are attached.

The Public Staff apologizes for this error and for any inconvenience or confusion it may have caused the Commission or the parties.

By copy of this letter, I am forwarding a copy to all parties of record.

Sincerely yours,
Electronically submitted

/s/ William E. Grantmyre
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Paragraph 7.A.i. (previously quoted) provides the secondary developer shall pay Heater the cash CIAC for the County's Capacity Fees as specified in Paragraph 7.I.

Paragraph 7.I. states:

- "I. Cash Contribution in Aid of Construction for County Bulk Wastewater Capacity
Secondary Developer shall pay to Heater a cash contribution in aid of construction the same dollar amount per gallon as the County's then current bulk wastewater capacity fee, which at the time of the execution of this Amended Agreement is \$5.50 per gallon. This payment shall be made by Secondary Developer to Heater at the time Heater executes the application to DWQ for approval of the plans and specifications for that phase of the wastewater collection system."

In a notification of contiguous extension proceeding in Docket No. W-274, Sub 609, a contract with a secondary developer Flowers Plantation Commercial, LLC and Heater d/b/a Aqua North Carolina, dated October 9, 2007 was filed on December 21, 2007.

Paragraph II.G.i. on page 11 states:

- "G. Cash Contribution in Aid of Construction for Wastewater Treatment Plant (WWTP Capacity)
- i. Developer shall pay to the Utility a CIAC payment for Wastewater Treatment Plant Capacity, in accordance with the Bulk Wastewater Service Agreement for Flowers Plantation, I, II, III-B, dated May 14, 2002. The current CIAC payment is \$6.00/gallon. This CIAC payment shall be made by the Developer to Utility at the time Developer records the plat with the County and prior to the Utility providing service."

The Public Staff in 2006 ceased recommending for all water and wastewater utilities, that the Commission approve the developer contracts. This contract with Flowers Plantation Commercial, LLC, was not approved by the Commission, and none of the subsequently filed Flowers Plantation developer and secondary developer contracts were approved by the Commission.

The Aqua North Carolina, Inc. (Aqua) secondary developer contracts filed with the Commission subsequent to Docket No. W-274, Sub 609 and prior to Docket No. W-218, Sub 360 described below, did not contain within the definitions section the definition of the Bulk WW Agreement. These secondary developer contracts did contain the following paragraph on the CIAC for the County wastewater capacity:

“Cash Contribution in Aid of Construction for WWTP Capacity
Developer shall pay to Utility a cash contribution in aid of construction the same dollar amount per gallon that as the County’s then current bulk wastewater capacity fee which at this time is \$6.00 per gallon. Payment for this fee shall be paid by Developer to Utility at the time Aqua signs the plat for recording with the County. The charge per gallon may be amended from time to time by the County. These fees will be collected by the Utility based upon the County’s current charges.”

Secondary developer contracts filed on and after May 28, 2015 in Docket No. W-218, Sub 360, for parcels within Flowers Plantation Sections I, II, and III-B, had similar language on the payment for County capacity fees as the Agreement being Public Staff Becker Cross Examination Exhibit 21, dated August 15, 2017 between BFP Developers, LLC and Aqua North Carolina, Inc., filed on October 24, 2017. (Becker Cross Examination Exhibit 21)