

SANFORD LAW OFFICE, PLLC
Jo Anne Sanford, Attorney at Law

July 26, 2019

Ms. Shonta Dunston, Deputy Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Via Electronic Delivery

Re: Aqua North Carolina, Inc.
Docket Nos. W-218, Subs 497 and 497A
Tariff Revision Related to Sewer Plant Capacity Fee Change Due to
Price Increase by Johnston County Department of Public Utilities

Dear Ms. Dunston:

The purpose of this verified letter and proposed tariff is to request approval of updates to a portion of the Aqua North Carolina, Inc. ("Aqua") tariff, found at Appendix A-1, page 5 of the North Carolina Utilities Commission's ("Commission" or "NCUC") *Order Approving Partial Settlement Agreement and Stipulation, Granting Partial Rate Increase, and Requiring Customer Notice* ("Commission Order"), issued in Docket No. W-218, Sub 497 on December 18, 2018.

The section in question is titled "Sewer Plant Capacity Fee per GPD - Flowers Plantation Development (Buffalo Creek)" (*See Attachment A, Appendix A-1, page 5 from the Commission Order, marked up to reflect the current request*).

This request is prompted by an increase in the bulk sewer plant capacity fee that Johnston County is charging Aqua. Aqua notes that, for bulk wastewater capacity fee charges, the negotiated rate as reflected in Aqua's current tariff was \$8.48/gpd, inclusive of transmission and distribution fees. Effective July 1, 2019, the new rate for bulk sewer capacity is \$14.62/gpd. Aqua also notes that this fee is no longer subject to negotiation and the County no longer separately delineates capacity and transmission fees. The bulk sewer capacity fee per the

contract impacts developments in the Buffalo Creek side of Flowers Plantation: Sections I, II, and IIIB. A copy of Johnston County's letter to Aqua regarding this matter is attached hereto as Attachment B.

As always, we thank you and your staff for your assistance; please feel free to contact me if there are questions or if additional information is required.

Electronically Submitted

/s/Jo Anne Sanford
North Carolina State Bar No. 6831
Attorney for Aqua North Carolina, Inc.

c: Parties of Record

APPENDIX A-1
 PAGE 5 OF 8

Monthly Metered Service (commercial customers):

Base facility charge (zero usage, based on meter size)

<1" meter	\$ 20.72
1" meter	\$ 51.80
1½" meter	\$ 103.60
2" meter	\$ 165.76
3" meter	\$ 310.80
4" meter	\$ 518.00
6" meter	\$1,036.00

Commercial usage charge, per 1,000 gallons \$ 9.46

OTHER MATTERS

Specific Service Area Connection Charges and Capacity Fees: ^{2/}
 (See attached Appendix A-3)

Connection in All Other Service Areas:

None when tap and service line installed by developer.

Actual Cost if Aqua NC makes tap or installs service line.

Sewer Plant Capacity Fee per GPD (DEQ Design Requirements) – River Park Development:

Sewer Plant Capacity Fee per GPD \$ 10.00
 (See Docket No. W-218, Sub 143)

Sewer Plant Capacity Fee per GPD – Flowers Plantation Development (Buffalo Creek):
 (See Docket No. W-218, Sub 497)

Sewer plant capacity fee per GPD	\$ 5.34 14.62
Transmission fees per GPD	3.14
Total fees per GPD	\$ 8.48

These are the actual rates per GPD paid by Aqua NC to Johnston County on June 21, 2018. Such rates per GPD are subject to change based on future negotiations between Aqua NC and Johnston County.

Johnston County
DEPARTMENT OF PUBLIC UTILITIES
POST OFFICE BOX 2263
SMITHFIELD, N.C. 27577
(919) 989-5075

July 12, 2019

Mr. Michael Melton
Aqua North Carolina, Inc.
4163 Sinclair Street
Denver, NC 28037

Re: Water and Sewer Rate Adjustments for FY 19/20

Dear Mr. Melton:

Please be advised that the Johnston County Board of Commissioners approved the recommended water and sewer rate adjustments for FY 19/20. Please see the approved adjustments below:

Bulk Water Commodity Charge

FY 18/19 = \$2.40/1,000 gallons FY 19/20 = \$2.65/1,000 gallons

Bulk Water Capacity Fee

FY 18/19 = \$4.95/gpd of avg capacity FY 19/20 = \$6.00/gpd of avg capacity

Bulk Sewer Commodity Charge

Treatment: FY 18/19 = \$2.15/1,000 gallons FY 19/20 = \$2.37/1,000 gallons

Transmission: FY 18/19 = \$1.03/1,000 gallons FY 19/20 = \$1.13/1,000 gallons

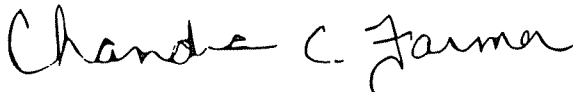
Bulk Sewer Capacity Fee

FY 19/20 = \$14.62/gpd of avg capacity

Per our previous correspondence, the commodity charge adjustments and bulk sewer capacity fee were effective July 1, 2019, and the bulk water capacity fee adjustment will be effective October 1, 2019.

Please let me know if you have any questions or need additional information.

Sincerely,



Chandra C. Farmer, PE
Director of Utilities

cc: Mr. Rick Hester
Ms. Peggy Sue Dodge (via email only)
Mr. Ruffin Poole (via email only)
Mr. Dean Gearhart (via email only)

VERIFICATION

Edward P. Thill, being duly sworn, deposes and says: that he is Controller II of Aqua North Carolina, Inc.; that he is familiar with the facts set out in this **Tariff Revision Related to Sewer Plant Capacity Fee Change Due to Price Increase by Johnston County Department of Public Utilities** filed in Docket Nos. W-218, Subs 497 and 497A; that he has read the foregoing pleading and knows the contents thereof; and that the same is true of his knowledge except as to those matters stated therein on information and belief, and as to those he believes them to be true.



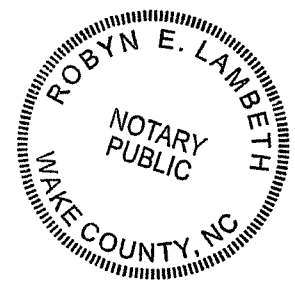
Edward P. Thill

Sworn to and subscribed before me this
the 26th day of July 2019.



Notary Public

My Commission Expires: May 13, 2021



CERTIFICATE OF SERVICE

I hereby certify that the foregoing **Tariff Revision Related to Sewer Plant Capacity Fee Change Due to Price Increase by Johnston County Department of Public Utilities** has been served on the parties of record to Docket Nos. W-218, Subs 497 and 497A, in accordance with North Carolina Utilities Commission Rule R1-39, either by: United States mail, first class postage pre-paid; by hand delivery; or by means of electronic delivery upon agreement of the receiving party.

This the 26th day of July 2019.

Electronically Submitted
/s/Jo Anne Sanford
State Bar No. 6831

SANFORD LAW OFFICE, PLLC
sanford@sanfordlawoffice.com
Tel: 919.210.4900

**ATTORNEY FOR AQUA NORTH
CAROLINA, INC.**