

**SANFORD LAW OFFICE, PLLC**

Jo Anne Sanford, Attorney at Law

February 2, 2023

A. Shonta Dunston, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4300

**Via Electronic Delivery**

Re: Docket No. W-354, Sub 400  
Application by CWSNC for Authority to Adjust and Increase Rates  
and Charges for Water and Sewer Utility Service in All Service Areas  
of North Carolina and Approval of a Three-Year Plan  
--CWSNC Proposed Order, Appendices, and Schellinger Affidavit of  
Rate Case Expenses

Dear Ms. Dunston:

Attached for filing please find the Proposed Order, submitted by Carolina Water Service, Inc. of North Carolina ("CWSNC" or "Company") in compliance with the Commission's Scheduling Order of September 2, 2022 and its two orders extending the time for filing (January 11<sup>th</sup> and 31<sup>st</sup>, 2023). Also included herein are Appendices A – G and the Schellinger Affidavit of Rate Case Expenses. The Public Staff is filing Updated Public Staff Settlement Exhibit 1; CWSNC and the Public Staff request that it be entered into evidence. Additionally, CWSNC requests that the Schellinger Affidavit of Rate Case Expenses be entered into evidence in the docket.

On November 22, 2022, CWSNC and the Public Staff (Parties) reached a settlement in this case of all issues except two: Return on Equity (ROE) and the application of the statutory WSIP 5% rate cap. Particularly because of the impact of ROE on proposed rates, it is necessary for the Parties to file separate Proposed Orders. However, the Parties worked together to synchronize their proposed orders as much as possible. Accordingly, the Parties' respective proposed orders

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largely track each other except for the findings, discussions, and conclusions concerning the two disputed issues and the resulting revenues, revenue requirements, and rates. Finally, as the Parties have better understood the Commission's expectations regarding penalties and incentives, they have committed to the Commission to file a Supplemental Proposed Order (or Orders), by March 17, 2023, to address those topics sooner than had been agreed upon by the Parties in the Settlement Agreement.

As always, thank you and your staff for your assistance; please feel free to contact me if there are any questions or suggestions.

Sincerely,

**Electronically Submitted**  
Sanford Law Office, PLLC

**/s/Jo Anne Sanford**  
N.C. State Bar No. 6831

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**Attorneys for CWSNC**

## CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Proposed Order, Schedules, and Affidavit, filed by Carolina Water Service, Inc. of North Carolina in Docket No. W-354, Sub 400, has been served on the Public Staff. I further certify that a Word version of the attached Proposed Order is being provided to the North Carolina Utilities Commission at [briefs@ncuc.net](mailto:briefs@ncuc.net) .

This the 2<sup>d</sup> day of February, 2023.

### Electronically Submitted

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