

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 573

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Application by Aqua North Carolina, Inc.,)
202 MacKenan Court, Cary, North Carolina)
27511, for Authority to Adjust and Increase Rates)
for Water and Sewer Utility Service in All Its)
Service Areas in North Carolina and for Approval)
of a Water and Sewer Investment Plan)
	ORDER DENYING
	MOTION FOR AN
	EXTENSION OF TIME

BY THE PRESIDING COMMISSIONER: On June 30, 2022, Aqua North Carolina, Inc. (Aqua or the Company) filed an application with the Commission seeking authority to adjust and increase its rates for providing water and sewer utility service in all of its service areas in North Carolina and for approval to establish and implement a Water and Sewer Investment Plan (WSIP) pursuant to N.C. Gen. Stat. § 62-133.1B and Commission Rule R1-17A. On September 8, 2022, the Commission issued an Order Scheduling Hearings, Establishing Discovery Deadlines, and Requiring Customer Notice (Scheduling Order). Pursuant to the Scheduling Order, Aqua was required to file, on or before September 21, 2022, updates to its actual revenues, expenses, rate base, and cost of capital for the period ending August 31, 2022.

On September 21, 2022, Aqua filed its updates through July 31, 2022, and indicated that the Company would file the relevant information and supporting data for August 2022, as soon as it was available. On October 19, 2022, the Public Staff filed a motion regarding Aqua's updates. On October 21, 2022, Aqua filed updated information with supporting data, along with updated schedules, through August 31, 2022, and September 30, 2022. The Company noted that its filing updated the information provided on September 21, 2022.

On October 24, 2022, the Public Staff filed an amended motion regarding Aqua's updates. In the amended motion, the Public Staff requests an extension of time to serve formal discovery requests related to the general rate case application and Aqua's prefiled direct and supplemental testimony to November 21, 2022, and for an additional day thereafter for each day after October 21, 2022, that Aqua fails to file its August 2022 updates. In its amended motion, the Public Staff further requests an extension of time to file its direct testimony and exhibits, except testimony addressing complaints raised in the public witness hearings, to December 5, 2022, and for an additional day thereafter for each day after October 21, 2022, that Aqua fails to file its August 2022 updates. According to the Public Staff, it is appropriate that the Public Staff be granted additional time to conduct discovery and file its direct testimony and exhibits because Aqua's delay in filing

its updates for the month of August 2022 impairs the Public Staff's ability to investigate the Company's updates for that period and to address the updates in its testimony. The Public Staff states that Aqua's updates for the month of August 2022 will provide valuable actual capital investment and expense information that will help the Public Staff determine whether Aqua's capital investments included in the WSIP are reasonably known and measurable and whether its anticipated expenses are reasonable and prudent.

On October 26, 2022, Aqua filed its response to the Public Staff's amended motion. In its response, Aqua objects to the schedule change proposed by the Public Staff. Aqua points out that although the Scheduling Order directed Aqua to file updates for the period ending August 31, 2022, by September 21, 2022, it also stated the deadline did not apply where issues outside of the Company's control precluded timely filing. Aqua states that in discussions with the Public Staff from the outset of the case, Aqua made it clear that it would be impossible to provide an update for the month of August by September 21, 2022, for certain data and that the Company would make every effort to provide those updates as soon as feasible. Aqua states that the Company filed its August update on October 21, 2022, prior to the Public Staff's amended motion. Aqua argues that despite the delay in providing the August 2022 capital update data, the information to support Aqua's update through August 31, 2022, had already been provided to the Public Staff in updated responses to data requests, which were sent to the Public Staff on October 14, 2022. The Company argues that although its updates for the month of August 2022 was delayed until October 21, 2022, the Public Staff had the necessary data to investigate that update a week before the filing of the update.

After careful consideration, the Presiding Commissioner finds the Public Staff's amended motion should be denied. The Public Staff states that Aqua did not object to filing its updates through August 2022 on or before September 21, 2022. However, the Scheduling Order provides that this requirement shall not apply to events that are neither foreseeable nor within the Company's control and shall not prevent the Company from providing evidence showing changes in costs, including plant in service additions, pursuant to N.C.G.S. § 62-133(c). Hence, the Scheduling Order provides Aqua some leeway in providing its August 2022 updates by September 21, 2022. Accordingly, the amended motion filed by the Public Staff on October 24, 2022, is denied.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 4th day of November, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Erica N. Green". The signature is fluid and cursive, with the first name "Erica" being more prominent.

Erica N. Green, Deputy Clerk