

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1333, SUB 0
DOCKET NO. W-1130, SUB 11

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Currituck Water and Sewer,)	
LLC, 4700 Homewood Court, Suite 108,)	
Raleigh, North Carolina 27609, and Sandler)	
Utilities at Mill Run, LLC, 448 Viking Drive,)	ORDER REQUIRING
Suite 220, Virginia Beach, Virginia 23452, for)	ADDITIONAL INFORMATION
Authority to Transfer the Sandler Utilities at Mill)	
Run Wastewater System and Public Utility)	
Franchise in Currituck County, North Carolina,)	
and for Approval of Rates)	

BY THE CHAIR: On May 19, 2021, Currituck Water and Sewer, LLC (Currituck), and Sandler Utilities at Mill Run, LLC (Sandler), filed with the Commission an Application for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the wastewater utility system and public utility franchise serving Eagle Creek Subdivision, Eagle Creek Golf Club and Grill¹, and Moyock Middle School in Currituck County, North Carolina, from Sandler to Currituck and approval of rates.

Sandler presently serves approximately 420 residential and 2 non-residential customers in the Eagle Creek service area using a vacuum collection system. Envirolink, Inc. (Envirolink), is the current contract operator of the wastewater utility system serving Eagle Creek subdivision and may continue to operate the wastewater utility system for Currituck upon completion of the acquisition. The Eagle Creek wastewater collection system has experienced numerous outages and sanitary sewer overflows with the most recent series of outages beginning September 29, 2020.

On behalf of the North Carolina Department of Environmental Quality, Division of Water Resources (DWR), the North Carolina Attorney General obtained a Consent Judgment with Sandler dated July 1, 2021, in the Superior Court of Currituck County, Docket Number 21-CVS-78. The Consent Judgment requires Sandler to make substantial capital and operational improvements for the wastewater collection system

¹ Eagle Creek Golf Club and Grill is the most recent name for the golf course. In Sandler's original application filed in Docket No. W-1130, Sub 0, the golf course was listed as Mill Run Golf and Country Club. In Sandler's 2015 rate case application filed in Docket No. W-1130, Sub 8, the golf course was listed as Mill Creek Golf and Country Club. In the instant transfer application, Docket Nos. W-1130, Sub 11 and W-1333, Sub 0, the golf course is listed in the Asset Purchase Agreement as the Eagle Creek Golf Club and Grill.

with the review and oversight of DWR. The Attorney General and DWR have been reviewing Sandler's planned upgrades and have required modifications. The Consent Judgment was amended on December 28, 2021.

The Commission held a public witness hearing on February 2, 2022. Following testimony from Sandler's customers, Commissioners expressed concern regarding the severity of the customers' situation. Based on the testimony received at the public witness hearing, the Chair finds good cause to direct verified written responses and documentation from Sandler, Currituck, or Envirolink, as applicable, to the questions and requests attached hereto as Appendix A on or before February 24, 2022.

As per Ordering Paragraph 4 of the Commission's November 18, 2021 Order Scheduling Hearings, Establishing Discovery Guidelines, and Requiring Customer Notice (Scheduling Order), Currituck and Sandler are each directed to file, separately, a verified report addressing all customer service and service quality complaints expressed during the public witness hearing held on February 2, 2022, within 15 days of the conclusion of that public witness hearing. Additionally, the Public Staff shall file a verified response to and any comments on Currituck and Sandler's reports on or before February 24, 2022, as required by the Scheduling Order.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 8th day of February, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script, appearing to read "Joann R. Snyder".

Joann R. Snyder, Deputy Clerk

REQUEST FOR DOCUMENTS AND ADDITIONAL INFORMATION

1. Provide a copy of the Consent Judgment entered into on July 1, 2021, by and between the North Carolina Attorney General and Sandler as filed in Currituck County Superior Court Docket Number 21-CVS-78 and a copy of the Amended Consent Judgment dated December 28, 2021, as filed in the same docket.
2. At the public witness hearing held on February 2, 2022, in his opening statement, counsel for Currituck stated that the Eagle Creek WWTP was currently under moratorium imposed by environmental regulators. Provide a description of the moratorium, an explanation of the facts and circumstances resulting in the moratorium, and any steps taken to date to cure or otherwise remediate circumstances underlying the moratorium. Additionally, provide a copy of any regulatory documentation imposing the moratorium.