

**STATE OF NORTH  
CAROLINA UTILITIES  
COMMISSION RALEIGH**

**STAFF CONFERENCE AGENDA – September 19, 2022**

*Link to view staff conference will be posted on the commission website, [ncuc.net](http://ncuc.net)*

**COMMUNICATIONS**

1. DOCKET NO. P-100, SUBS 133L, 133N, AND 171 – Certification of Eligible Telecommunications Carriers to Continue to Receive Federal Universal Service High-Cost Support (*Proffitt/Coxton*)

**WATER AND WASTEWATER**

***NOTIFICATION OF INTENTION TO BEGIN WATER UTILITY OPERATIONS IN CONTIGUOUS SERVICE AREA***

**Carolina Water Services, Inc. of North Carolina**

2. Docket No. 354, Sub 379 – Notification of Intention to Begin Operations in Contiguous Service Area to Provide Water and Wastewater Utility Service in Amber Ridge Subdivision (*Bhatta/Feasel/Little*)

The Public Staff recommends approval of the preceding agenda items as described above and reflected in proposed orders provided to the Commission Staff.

## **COMMUNICATIONS**

### **ANNUAL STATE CERTIFICATION OF ELIGIBLE TELECOMMUNICATIONS CARRIERS**

1. Docket No. P-100, Subs 133L, 133N, and 171 – Certification of Eligible Telecommunications Carriers to Continue to Receive Federal Universal Service High-Cost Support (*Proffitt/Coxton*)

The following 18 eligible telecommunications carriers have filed sworn affidavits attesting that all federal high-cost support funding has been and will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended:

Atlantic Telecom Multimedia Consolidated, LLC  
Barnardsville Telephone Company  
Carolina Telephone and Telegraph Company  
Central Telephone Company  
Citizens Telephone Company  
Ellerbe Telephone Company  
Frontier Communications of the Carolinas LLC  
Mehtel, Inc.  
North State Telephone Company  
Pineville Telephone Company  
Randolph Telephone Telecommunications, Inc.  
RiverStreet Communications of NC, Inc.  
Saluda Mountain Telephone Company  
Service Telephone Company  
Wilkes Communications, Inc.  
Windstream Concord Telephone LLC  
Windstream Lexcom Communications, LLC  
Windstream North Carolina, LLC

The Public Staff recommends that, pursuant to 47 C.F.R. § 54.314 and Section 245(e) of the Telecommunications Act of 1996, the Commission submit certification to the Federal Communications Commission (FCC) and the Universal Service Administrative Company (USAC) by October 31, 2022, so that the named carriers may receive Federal Universal Service High-Cost Support for calendar year 2023.

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**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. W-354, SUB 379

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Carolina Water Service, Inc. of	)
North Carolina, 4944 Parkway Plaza	)
Boulevard, Suite 375, Charlotte, North Carolina	)
28217, of Intention to Begin Operations in	)
Contiguous Service Area to Provide Water and	)
Wastewater Utility Service in the Amber Ridge	)
Subdivision in Wake County, North Carolina,	)
and for Approval of Rates	)
	<b>ORDER RECOGNIZING CONTIGUOUS EXTENSION AND APPROVING RATES</b>

BY THE COMMISSION: On May 13, 2022, Carolina Water Service, Inc. of North Carolina (CWSNC) filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area. On June 14, 2022, CWSNC filed a Revised Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water and wastewater utility services in the Amber Ridge subdivision in Wake County, North Carolina. Amber Ridge subdivision is contiguous to CWSNC's Sandy Trail subdivision service area. CWSNC proposes to charge the rates currently approved for that service area.

The Public Staff presented this matter at the Commission's Staff Conference on September 19, 2022. The Public Staff recommends that the Commission issue an order recognizing the contiguous extension and approving the requested rates.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

**FINDINGS OF FACT**

1. CWSNC presently holds water franchises serving approximately 30,856 customers, and wastewater franchises serving approximately 19,788 customers in North Carolina. CWSNC's record of service is satisfactory.
2. CWSNC presently does not serve any customers in Amber Ridge. CWSNC expects to eventually serve 25 residential water and wastewater customers in Amber Ridge subdivision. The service area is shown on plans filed with the Notification.
3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section has issued a plan approval letter for Amber

Ridge subdivision, part of Water System No. NC0392077. The plans are approved under serial number 21-00144, dated April 5, 2021.

4. The North Carolina Department of Environmental Quality, Division of Water Resources, Water Quality Permitting Section has issued a permit for the collection system for Amber Ridge under permit number WQ0042321, dated March 16, 2021. The permit states that sewage and wastewater collected from the approved collection system will be treated at the Ashley Hill Wastewater Treatment Plant Facility approved under permit number NC0051322.

5. CWSNC has entered into an Agreement for Sewer Service, dated September 13, 2020, with Hughes Development, LLC (Developer), under which the Developer is constructing and installing the water distribution and wastewater collection facilities within the property at no cost to CWSNC and conveying the water and wastewater systems to CWSNC. In addition, the Developer is agreeing to pay CWSNC a Wastewater Capacity Reservation Contribution of \$116,852.40 for 9,000 gallons per day of capacity.

6. CWSNC has requested a waiver of filing the five-year projected income and cash flow statements, because only 25 residential water customers are being added, which will not have a significant impact on CWSNC's revenues and expenses. The Public Staff supported this request, and the Commission finds it reasonable.

7. CWSNC has filed all exhibits required with the Notification.

8. CWSNC has the technical, managerial, and financial capacity to provide water and wastewater utility service in this franchise location.

9. CWSNC proposes to charge the present water and wastewater utility services rates approved by the Commission on April 8, 2022, in Docket No. W-354, Sub 384.

10. The Public Staff recommends that CWSNC be required to post a \$20,000 bond for Amber Ridge. CWSNC currently has \$4,020,000 of bonds posted with the Commission. Of this amount, \$3,810,000 of bond surety is assigned to specific subdivisions, and \$210,000 of bond surety is unassigned.

## **CONCLUSIONS**

Based on the foregoing and the recommendation of the Public Staff, the Commission concludes that \$20,000 of CWSNC's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by CWSNC in Amber Ridge should be recognized as meeting the Commission's criteria for the extension; and the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$20,000 of CWSNC's unassigned surety bond is assigned to Amber Ridge. The remaining unassigned bond surety shall be \$190,000;
2. That the contiguous extension of water utility service from Sandy Trail subdivision and wastewater utility service from Ashley Hill WWTP into Amber Ridge in Wake County, North Carolina is recognized as meeting the Commission's criteria for the extension pursuant to N.C.G.S. § 62-110(a), and Appendix A, attached hereto, constitutes Carolina Water Service Inc., of North Carolina's Certificate of Public Convenience and Necessity covering the contiguous extension;
3. That Carolina Water Service Inc., of North Carolina's existing Schedule of Rates approved on April 8, 2022, in Docket No. W-354, Sub 384, is recognized as being applicable for service and is approved for service at Amber Ridge, Wake County, North Carolina; and
4. That CWSNC shall follow applicable Commission guidance with respect to income tax gross-up on contributions in aid of construction per Commission orders issued in Docket No. W-100, Sub 57.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of September 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. W-354, SUB 379

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

CAROLINA WATER SERVICE INC. OF NORTH CAROLINA

is given this acknowledgement of  
contiguous extension to CWSNC's  
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
pursuant to N.C. Gen. Stat. § 62-110(a)

to provide water and wastewater utility service

in

AMBER RIDGE SUBDIVISION

Wake County, North Carolina,

subject to any orders, rules, regulations,  
and conditions now or hereafter lawfully made  
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_ day of September 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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