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July 19, 2021

Mr. William E. Grantmyre NC Public Staff – Legal North Carolina Utilities Commission 430 N. Salisbury Street Raleigh, NC 27603

RE: In the matter of the Application of Old North State Water Company, LLC for a Rate Increase Docket No. W-1300, Sub 60 Response to the Public Staff's Letter Dated July 12, 2021

Dear Mr. Grantmyre:

On behalf of Old North State Water Company, LLC ("ONSWC") in the above-referenced docket, we provide the following responses and additional information in response to the Public Staff's letter dated July 12, 2021.

**Public Staff's Comment**: Rule R1-17(b)(6) - Materials and Supplies – not provided.

**ONSWC's Response**: ONSWC's water systems operations and maintenance were managed through external contractor operators, and expenses for materials and supplies are included in the contract operator's expenses. ONSWC records the expenses on the Contractual Services – Management Fees or Contractual Services – Other.

**Public Staff's Comment:** Rule R1-17(b)(9)e. – Statement showing capital structure of the utility before and after the proposed increase.

**ONSWC's Response:** The capital structure of ONSWC before and after the proposed increase will remain the same.

A Pennsylvania Limited Liability Partnership

California Colorado Delaware District of Columbia Florida Georgia Illinois Minnesota Nevada New Jersey New York North Carolina Pennsylvania South Carolina Washington Texas



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**Public Staff's Comment:** Schedule C lists Debt 83% and Equity 17%, but this does not match the Balance Sheet which has negative equity. Also, no capital structure was provided for after the rate increase.

**ONSWC's Response:** The 83% Debt and 17% Equity was based on ONSWC's water and wastewater systems, not just ONSWC's water systems. The Balance Sheet that was filed with the application was for ONSWC's water systems only. The capital structure of 83% Debt and 17% Equity is the current overall ONSWC capital structure (ONSWC's water and wastewater systems). A revised Schedule A, CONFIDENTIAL Balance Sheet for the consolidated ONSWC company, will be filed and provided under separate cover.

**Public Staff's Comment:** Rule R1-17(b)(9)f. – There is no Appendix 1 showing a Summary of all proposed increases and changes affecting customers.

**ONSWC's Response:** Appendix 1, Summary of Proposed Rates, is attached hereto.

Please let us know if you have any additional questions or need any further documentation in support of the Rate Increase Application.

Sincerely,

/s/ Karen M. Kemerait

Karen M. Kemerait

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**Enclosures** 



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Copies to: William E. Grantmyre Reita D. Coxton Windley E. Henry Charles M. Junis Munashe Magarira John McDonald

					Usage		
				Dana	Charge		Lloogo
				Base	at	Dees	Usage
				Charge	present	Base	Charge at
				at	rate (per	Charge at	proposed
				present	1,000	proposed	rate (per
Docket	System Name	County	City	rate	gal)	rate	1,000 gal)
W-1300, Sub 26	Asheboro County Club	Randolph	Weaverville	17.97	5.03	27.00	8.29
W-1300, Sub 26	Carriage Way	Guilford	Burlington	17.97	5.03	27.00	8.29
W-1300, Sub 26	Kensington Place	Guilford	Greensboro	17.97	5.03	27.00	8.29
W-1300, Sub 26	Rachel's Landing	Guilford	Stokesdale	17.97	5.03	27.00	8.29
W-1300, Sub 26	Spencer's Grove	Guilford	Browns Summit	17.97	5.03	27.00	8.29
W-1300, Sub 26	Weatherstone Olde Forest	Guilford	Forest Oaks	17.97	5.03	27.00	8.29
W-1300, Sub 35	Avalyn	Wake	Wake Forest	15.00	5.00	27.00	8.29
W-1300, Sub 38	Shiloh	Guilford	Kernersville	15.00	5.00	27.00	8.29
W-1300, Sub 32	Meadow Lake (Donnybrook)	Wake	Apex	15.00	5.00	27.00	8.29
W-1300, Sub 37	Bailey Farms	Franklin	Youngsville	15.00	5.00	27.00	8.29
W-1300, Sub 31	Blawell	Cumberland	Stedman	34.14	3.29	27.00	8.29
W-1300, Sub 40	Senter Road	Wake	Apex	15.00	5.00	27.00	8.29
W-1300, Sub 34	Olde Mill Trace	Wake	Raleigh	15.00	5.00	27.00	8.29
W-1300, Sub 4	Leone Landing	Wake	Raleigh	15.00	5.00	27.00	8.29
W-1300, Sub 7	Blaney Farms	Wake	Apex	15.00	5.00	27.00	8.29
W-1300, Sub 25	Blaney South	Wake	Apex	15.00	5.00	27.00	8.29
W-1300, Sub 27	Kanata Mills (Camp Kanata)	Wake	Wake Forest	15.00	5.00	27.00	8.29
W-1300, Sub 44	Mendenhall	Wake	Zebulon	15.00	5.00	27.00	8.29
W-1300, Sub 22	Ethans Meadows	Wake	Raleigh	15.00	5.00	27.00	8.29
W-1300, Sub 14	Bella Vista	Wake	Raleigh	15.00	5.00	27.00	8.29
W-1300, Sub 7	Yates Mills	Wake	Raleigh	15.00	5.00	27.00	8.29
W-1300, Sub 10	Twin Lake Farms	Wake	Holly Springs	15.00	5.00	27.00	8.29
W-1300 Sub 17	Vernon Place	Wake	Wake Forest	15.00	5.00	27.00	8.29
W-1300, Sub 18	Jackson Manor	Wake	Wake Forest	15.00	5.00	27.00	8.29
W-1300, Sub 13	Kingston Manor	Wake	Wake Forest	15.00	5.00	27.00	8.29
W-1300, Sub 48	Autumn Ridge	Guiliford	Oak Ridge	15.00	5.00	27.00	8.29
W-1300, Sub 16	Knights Landing	Guilford	Oak Ridge	15.00	5.00	27.00	8.29
W-1300, Sub 45	Stonewood Manor	Wake	Apex	15.00	5.00	27.00	8.29
W-1300, Sub 21	Mornington	Wake	Raleigh	15.00	5.00	27.00	8.29
W-1300, Sub 24	Rocklyn	Davidson	Clemmons	25.00	5.50	27.00	8.29
W-1300, Sub 23	Baileys at Glenmoor	Wake	Wake Forest	15.00	5.00	27.00	8.29
W-1300, Sub 25 W-1300, Sub 46	Bingham Woods MHP	Orange	Chapel Hill	15.00	5.00	27.00	8.29
W-1300, Sub 40	Carriage Cove	Guiliford	Oak Ridge	15.00	5.00	27.00	8.29
W-1300, Sub 50	Dogwood Acres	Rockingham		17.02	4.80	27.00	8.29
W-1300, Sub 43	Camberly	Wake	Wake Forest	15.00	5.00	27.00	8.29
THE SECTION AND ADDRESS OF SECTION AND ADDRESS OF SECTION	Ashcroft Park	Guilford	Greensboro	15.00	5.00	27.00	8.29
W-1300, Sub 39		Wake	Wake Forest	15.00	5.00	27.00	8.29
W-1300, Sub 54	Yardley	wake	wake Forest	15.00	5.00	27.00	0.25