

**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., for )  
Authority to Adjust and Increase Rates and ) ORDER APPROVING  
Charges for Water and Sewer Utility Service in ) REFUND PLAN  
All Service Areas in North Carolina and for )  
Approval of a Water and Sewer Investment Plan )

BY THE COMMISSION: On June 5, 2023, in the above-captioned docket, the Commission issued an Order Approving Partial Settlement Agreement and Stipulation, Deciding Contested Issues, Approving Water and Sewer Investment Plan, Granting Partial Rate Increases, and Requiring Customer Notice (Rate Case Order). Among other things, the Rate Case Order requires that the Public Staff and Aqua North Carolina, Inc. (Aqua) jointly file, within seven business days of the date of the order, Schedules of Rates, applicable Notices to Customers, and Schedules of Connection fees for Aqua’s Base Case, and also Schedules of Rates and applicable Customer Notices for Water and Sewer Investment Plan (WSIP) Rate Year 1, WSIP Rate Year 2, and WSIP Rate Year 3.

Further, Ordering Paragraph No. 50 of the Rate Case Order provides:

That Aqua shall refund all partial, temporary rates and charges in excess of the final rates and charges found to be appropriate by the Commission, if any, in the Aqua NC Water, Aqua NC Sewer, and Brookwood Water Rate Divisions with interest at 10% compounded annually.

Additionally, Ordering Paragraph No. 51 of the Rate Case Order requires Aqua to file a refund plan for any excess partial, temporary rates and charges collected from customers within 30 days of issuance of the Rate Case Order and requires the Public Staff to file a response to the Company’s refund plan no later than 60 days from the date of the Rate Case Order.

On July 28, 2023, Aqua filed its refund plan (July 28 Notice) as required by Ordering Paragraph 51 of the Rate Case Order. In its filing, Aqua stated that no refunds were due related to the interim rates authorized by the Commission effective February 19, 2023.

On July 31, 2023, the Commission issued its Order Approving Motion on Wastewater Rate Design and Schedules of Rates, Schedules of Connection Fees, and Customer Notices (July 31 Approval Order). In Ordering Paragraph No. 3, the Commission approved WSIP Rate Year 1 Schedules of Rates and Schedules of Connection Fees upon which Aqua is required to compare rates collected under partial,

temporary rates to the final rates approved by the Commission for a determination of whether any refunds are due to customers.

On September 28, 2023, the Public Staff filed a response to Aqua's July 28 Notice. The Public Staff states that Aqua's analysis to determine whether refunds are necessary was performed before the Commission issued its July 31 Approval Order, and therefore Aqua's analysis fails to compare the temporary rates to the final rates as required by N.C.G.S. § 62-135. The Public Staff discovered that customers in the Hawthorne at the Greene Apartments, Woodland Farm (Rocky Ridge), and Beaver Farms Subdivision – Mecklenburg County (Hawthorne at the Green) rate classification were overcharged \$1.07 per 1,000 gallons during the period from February 19, 2023, through June 4, 2023.

On October 19, 2023, Aqua filed a response to the Public Staff's September 28, 2023 filing, stating its agreement with the refunds as described by the Public Staff.

Based on the foregoing and the entire record, the Commission finds that the refund plan agreed to by Aqua and the Public Staff is reasonable and should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That within 60 days of the date of this Order, Aqua shall issue refunds to Aqua Uniform Sewer customers charged under the Hawthorne at the Greene Apartments, Woodland Farm (Rocky Ridge), and Beaver Farms Subdivision – Mecklenburg County rate classification of \$1.07 per 1,000 gallons, plus interest at a rate of 10% per annum, for usage during the effective period of temporary rates from February 19, 2023, through June 4, 2023, via bill credit, which were charged temporary rates under bond higher than the rates approved in the July 31 Approval Order;

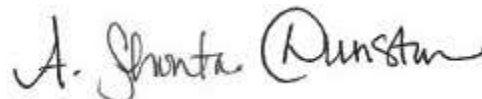
2. That, prior to issuing refunds, Aqua shall consult with the Public Staff when determining whether refunds are necessary and, if so, the appropriate amount of refunds; and

3. That Aqua shall file written notice with the Commission within 14 days of issuing the required refunds.

ISSUED BY ORDER OF THE COMMISSION.

This the 14th day of November, 2023.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Chief Clerk

Commissioner Floyd B. McKissick, Jr. did not participate in this decision.