

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

STAFF CONFERENCE AGENDA
January 3, 2022

**IMPORTANT NOTE: STAFF CONFERENCE
WILL BE CONDUCTED VIA WEBEX.
INSTRUCTIONS FOR PARTICIPATION AND A LINK TO VIEW THE
MEETING WILL BE POSTED ON THE COMMISSION'S WEBSITE,
NCUC.NET**

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

E. WATER

- P1. [DOCKET NO. W-1274, SUB 9 – LAKE JUNALUSKA ASSEMBLY, INCORPORATED – REQUEST FOR TARIFF REVISION](#) **EXHIBIT NO. P-1**
- P2. [DOCKET NO. W-1300, SUB 57 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY](#) **EXHIBIT NO. P-2**
- P3. [DOCKET NO. W-1300, SUB 58 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY](#) **EXHIBIT NO. P-3**
- P4. [DOCKET NO. W-1300, SUB 59 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY](#) **EXHIBIT NO. P-4**
- P5. [DOCKET NO. W-1300, SUB 65 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY](#) **EXHIBIT NO. P-5**
- P6. [DOCKET NO. W-1300, SUB 66 – OLD NORTH STATE WATER COMPANY, LLC – NOTIFICATION OF INTENTION TO BEGIN WATER UTILITY OPERATIONS IN CONTIGUOUS SERVICE AREA](#) **EXHIBIT NO. P-6**

TO: Agenda – Commission Conference – January 3, 2022
 FROM: PUBLIC STAFF – North Carolina Utilities Commission

E. WATER

P1. DOCKET NO. W-1274, SUB 9 – LAKE JUNALUSKA ASSEMBLY, INCORPORATED – REQUEST FOR TARIFF REVISION

EXPLANATION: On October 15, 2021, Lake Junaluska Assembly, Incorporated (LJA), filed a letter with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to sewer customers in its Lake Junaluska Assembly service area in Haywood County an increase in the cost of purchasing sewer treatment service from the Town of Waynesville (Waynesville). On December 13, 2021, LJA filed the required verification. N.C.G.S. § 62-133.11 provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

LJA provides sewer service to metered sewer customers and flat rate sewer customers. Increasing the usage charge only would have no effect on flat rate customers, and metered customers would bear the full impact for the increase in the cost of sewer treatment. Therefore, the Public Staff has used the rate design approved in LJA's last general rate case, Docket No. W-1274, Sub 7, and as reflected in the Testimony of Gina Y. Casselberry, Casselberry Exhibit No. 11, filed December 20, 2019 and adjusted the rates to reflect an increase of \$16,052 in revenue to recover the increased cost of purchased sewer treatment.

LJA's current rates and the Public Staff's recommend rates for sewer service are shown below:

Monthly Metered Sewer Service: (Residential and Commercial)

	Present Rates	Public Staff Recommend Rates
Base facility charge (zero usage)		
3/4" meter	\$ 17.00	\$ 17.00
1" meter	\$ 42.50	\$ 42.50
2" meter	\$ 136.00	\$ 136.00
3" meter	\$ 255.00	\$ 255.00
4" meter	\$ 425.00	\$ 425.00
Usage charge, per 100 cubic feet	\$ 5.20	\$ 5.56
Usage charge, per 1,000 gallons	\$ 6.95	\$ 7.43

Monthly Flat Rate Sewer Service (Residential and Commercial)

	Present Rates	Public Staff Recommend Rates
Sewer Only		
Residential (3/4" meter)	\$ 30.25	\$ 31.50
Commercial (3/4" meter)	\$ 30.25	\$ 31.50
Restaurant	\$ 242.00	\$ 252.00
Mobile Home Park	\$ 453.75	\$ 472.50

The Public Staff has also evaluated the effect of the current regulatory fee of 0.13% on the proposed increase and determined that the revenue generated by the Public Staff's recommended rates for sewer would cover the \$20.87 increase in regulatory fees.

LJA agrees with the Public Staff's recommended new rates.

The new rates will increase the average residential monthly bill by \$1.00, from \$57.72 to \$58.72 based on an average usage of 2.78 ccf (not including \$16.48 for the water and sewer capital improvement assessment). The average usage was determined in Exhibit 11 of the Testimony of Gina Y. Casselberry, Advanced Utilities Engineer, Public Staff Water, Sewer, and Telephone Division, filed on December 20, 2019 in Docket No. W-1274, Sub 7.

EXHIBIT: A proposed order is attached as [Exhibit No. P-1](#).

RECOMMENDATION: (Darden/Henry/Grantmyre) That the proposed order be issued approving the recommended tariff revision.

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P2. DOCKET NO. W-1300, SUB 57 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

EXPLANATION: On April 9, 2020, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Prescott subdivision in Wake County, North Carolina, and for approval of rates.

ONSWC presently serves 21 water customers in Prescott. ONSWC expects to eventually serve 32 water customers in Prescott. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Prescott subdivision, part of Water System No. NC4092172. The plans are approved under serial number 17-01164, dated November 9, 2018.

ONSWC has entered into an Agreement for Water Service dated October 1, 2018, with Solid Rock Construction of NC, Inc. (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family equivalent unit (SFRE) for water service, to be paid one time by the builder or person first requesting service to a particular lot. ONSWC is purchasing the water system for \$1,000 per residential equivalent unit (REU) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC's record of service is satisfactory.

ONSWC has filed all exhibits required with the Application.

Based on the foregoing, the Public Staff is of the opinion that ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the Certificate of Public Convenience and Necessity be issued. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Prescott. Old North State currently has \$750,000 of bonds posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

EXHIBIT: A proposed order is attached as [Exhibit No. P-2](#).

RECOMMENDATION: (Darden/Feasel/Creech) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

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P3. DOCKET NO. W-1300, SUB 58 – OLD NORTH STATE WATER COMPANY, LLC – APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

EXPLANATION: On April 29, 2019, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Brook Meadow subdivision in Wake County, North Carolina, and for approval of rates. On July 16, 2021, ONSWC filed an amended Application.

ONSWC presently serves 12 water customers in Brook Meadow. The total number of approved connections for Brook Meadow is 12 connections. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Brook Meadow subdivision, part of Water System No. NC4092180. The plans are approved under serial number 18-00008, dated April 24, 2018.

ONSWC has entered into an Agreement for Water Service dated April 24, 2017, with ESB Partners, LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70. ONSWC is purchasing the water system for \$500 per residential equivalent unit (REU) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC's record of service is satisfactory.

ONSWC has filed all exhibits required with the Application.

Based on the foregoing, the Public Staff is of the opinion that ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the Certificate of Public Convenience and Necessity be issued. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Brook Meadow. Old North State currently has \$750,000 of bonds posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

EXHIBIT: A proposed order is attached as [Exhibit No. P-3](#).

RECOMMENDATION: (Darden/Feasel/Luhr) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

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P4. DOCKET NO. W-1300, SUB 59 – OLD NORTH STATE WATER COMPANY, LLC
– APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND
NECESSITY

EXPLANATION: On June 26, 2020, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Thatcher Woods subdivision in Guilford County, North Carolina, and for approval of rates. On March 30, 2021, ONSWC filed an amended Application.

ONSWC presently serves 32 water customers in Thatcher Woods. The total number of approved connections for Thatcher Woods is 32 connections. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Thatcher Woods subdivision, part of Water System No. NC3041113. The plans are approved under serial number 19-00052, dated April 20, 2019.

ONSWC has entered into an Agreement for Water Service dated October 4, 2018, with Alcorn Road, LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family equivalent unit (SFRE) for water service, to be paid one time by the builder or person first requesting service to a particular lot. ONSWC is purchasing the water system for \$1,000 per residential equivalent unit (REU) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC's record of service is satisfactory.

ONSWC has filed all exhibits required with the Application.

Based on the foregoing, the Public Staff is of the opinion that ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the Certificate of Public Convenience and Necessity be issued. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Thatcher Woods. Old North State currently has \$750,000 of bonds posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

EXHIBIT: A proposed order is attached as [Exhibit No. P-4](#).

RECOMMENDATION: (Darden/Morgan/Grantmyre) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

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P5. DOCKET NO. W-1300, SUB 65 – OLD NORTH STATE WATER COMPANY, LLC
– APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

EXPLANATION: On March 23, 2020, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Fish Hawk Ranch subdivision in Wake County, North Carolina, and for approval of rates.

ONSWC presently serves 37 water customers in Fish Hawk Ranch. ONSWC expects to eventually serve 69 water customers in Fish Hawk Ranch. The service area is shown on plans filed with the Application.

The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Fish Hawk Ranch subdivision, part of Water System No. NC4092179. The plans are approved under serial number 18-00298, dated April 15, 2019.

ONSWC has entered into an Agreement for Water Service dated September 24, 2018, with Cheyenne Developers, LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family equivalent unit (SFRE) for water service, to be paid one time by the builder or person first requesting service to a particular lot. ONSWC is purchasing the water system for \$1,000 per residential equivalent unit (REU) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC's record of service is satisfactory.

ONSWC has filed all exhibits required with the Application.

Based on the foregoing, the Public Staff is of the opinion that ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location and recommends that the Certificate of Public Convenience and Necessity be issued. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the franchise in Fish Hawk Ranch. Old North State currently has \$750,000 of bonds posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

EXHIBIT: A proposed order is attached as [Exhibit No. P-5](#).

RECOMMENDATION: (Darden/Morgan/Grantmyre) That the Commission issue the proposed order granting the franchise and approving the proposed rates.

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P6. DOCKET NO. W-1300, SUB 66 – OLD NORTH STATE WATER COMPANY, LLC
– NOTIFICATION OF INTENTION TO BEGIN WATER UTILITY OPERATIONS
IN CONTIGUOUS SERVICE AREA

EXPLANATION: On March 26, 2020, Old North State Water Company, LLC (ONSWC), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water utility service in Sterling Crest Phase 2 subdivision, in Wake County, North Carolina. Sterling Crest Phase 2 is contiguous to ONSWC's Camp Kanata service area. ONSWC proposes to charge the rates currently approved for that service area.

ONSWC presently serves 12 water customers in Sterling Crest Phase 2. Camp Kanata Road subdivision has been approved for 139 connections in total across all the phases. The service area is shown on plans filed with the Notification.

The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Sterling Crest Phase 2 subdivision, part of Water System No. NC4092145. The plans are approved under serial number 17-00964, dated November 9, 2017.

ONSWC has entered into an Agreement for Water Service dated December 14, 2017, with Sterling Crest II LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family equivalent unit (SFRE) for water service, to be paid on time by the builder or person first requesting service to that particular lot.

ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC's record of service is satisfactory.

ONSWC has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that ONSWC has the technical, managerial, and financial capacity to provide water utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension of Sterling Crest Phase 2. ONSWC currently has \$750,000 of bonds posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

EXHIBIT: A proposed order is attached as [Exhibit No. P-6](#).

RECOMMENDATION: (Darden/Morgan/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and approving rates.

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1274, SUB 9

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Lake Junaluska Assembly,)	
Incorporated, 19 Sleepy Hollow Drive, Waynesville,	)	ORDER APPROVING
North Carolina, 28785, for Authority to Amend Its	)	TARIFF REVISION AND
Tariff to Increase Rates for Providing Sewer Utility	)	REQUIRING CUSTOMER
Service in Its Service Area in Haywood County,	)	NOTICE
North Carolina)	

BY THE COMMISSION: On October 15, 2021, Lake Junaluska Assembly, Incorporated (LJA), filed a letter with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to sewer customers in its Lake Junaluska Assembly service area in Haywood County an increase in the cost of purchasing sewer treatment service from the Town of Waynesville (Waynesville). On December 13, 2021, LJA filed the required verification. N.C.G.S. § 62-133.11 provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

LJA provides sewer service to metered sewer customers and flat rate sewer customers. Increasing the usage charge only would have no effect on flat rate customers, and metered customers would bear the full impact for the increase in the cost of sewer treatment. Therefore, the Public Staff has used the rate design approved in LJA's last general rate case, Docket No. W-1274, Sub 7, and as reflected in the Testimony of Gina Y. Casselberry, Casselberry Exhibit No. 11, filed December 20, 2019 and adjusted the rates to reflect an increase of \$16,052 in revenue to recover the increased cost of purchased sewer treatment.

LJA's current rates and the Public Staff's recommend rates for sewer service are shown below:

Monthly Metered Sewer Service: (Residential and Commercial)

	Present Rates	Public Staff Recommend Rates
Base facility charge (zero usage)		
3/4" meter	\$ 17.00	\$ 17.00
1" meter	\$ 42.50	\$ 42.50
2" meter	\$ 136.00	\$ 136.00
3" meter	\$ 255.00	\$ 255.00
4" meter	\$ 425.00	\$ 425.00
Usage charge, per 100 cubic feet	\$ 5.20	\$ 5.56
Usage charge, per 1,000 gallons	\$ 6.95	\$ 7.43

Monthly Flat Rate Sewer Service (Residential and Commercial)

	Present Rates	Public Staff Recommend Rates
Sewer Only		
Residential (3/4" meter)	\$ 30.25	\$ 31.50
Commercial (3/4" meter)	\$ 30.25	\$ 31.50
Restaurant	\$ 242.00	\$ 252.00
Mobile Home Park	\$ 453.75	\$ 472.50

The Public Staff has also evaluated the effect of the current regulatory fee of 0.13% on the proposed increase and determined that the revenue generated by the Public Staff's recommended rates for sewer would cover the \$20.87 increase in regulatory fees.

The new rates will increase the average residential monthly bill by \$1.00, from \$57.72 to \$58.72 based on an average usage of 2.78 ccf (not including \$16.48 for the water and sewer capital improvement assessment). The average usage is determined in Exhibit 11 of the Testimony of Gina Y. Casselberry, Advanced Utilities Engineer, Public Staff Water, Sewer, and Telephone Division, filed on December 20, 2019 in Docket No. W-1274, Sub 7.

This matter was presented at the Commission's Regular Staff Conference on January 3, 2022. The Public Staff stated that it had reviewed LJA's request and recommended that the tariff revision be approved. LJA agrees with the Public Staff's recommended rates.

Based upon the foregoing, the Commission is of the opinion that the tariff revision should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That Lake Junaluska Assembly, Incorporated is granted a tariff revision for sewer utility service in Lake Junaluska Assembly service area in Haywood County, North Carolina, as set forth herein;
2. That the Schedule of Rates attached as Appendix A is approved and is deemed filed with the Commission pursuant to N.C.G.S. § 62-138. This Schedule of Rates shall become effective for service rendered on and after the date of this Order;
3. That a copy of the Notice to Customers attached hereto as Appendix B be mailed with sufficient postage, or hand delivered by Lake Junaluska Assembly, Incorporated to all its affected customers in Lake Junaluska Assembly's service area contemporaneously with the next billing of customers; and
4. That Lake Junaluska Assembly, Incorporated shall file with the Commission the attached Certificate of Service, properly signed and notarized, within 45 days of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the _____ day of _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

SCHEDULE OF RATES

For

LAKE JUNALUSKAASSEMBLY, INCORPORATEDfor providing water and sewer service

in

LAKE JUNALUSKAASSEMBLY SERVICE AREA

Haywood County, North Carolina

WATER RATES AND CHARGESMONTHLY METERED SERVICE: (Residential and Commercial)

Base Facilities Charge (zero usage)		Assessment
3/4" meter	\$ 19.01	\$ 8.14
1" meter	\$ 47.53	\$ 20.35
2" meter	\$ 152.08	\$ 65.12
3" meter	\$ 285.15	\$ 122.10
4" meter	\$ 475.25	\$ 203.50
Usage Charge, per 100 cubic feet	\$ 2.61	
Usage Charge, per 1000 gallons	\$ 3.49	

Water only: (Residential and Commercial)

Base Facilities Charge (zero usage)		Assessment
3/4" meter	\$ 19.01	\$ 8.14
1" meter	\$ 47.53	\$ 20.35
Usage Charge, per 100 cubic feet	\$ 6.36	

SEWER RATES AND CHARGES**MONTHLY METERED SERVICE:** (Residential and Commercial)

Base Facilities Charge (zero usage)		Assessment
3/4" meter	\$ 17.00	\$ 8.14
1" meter	\$ 42.50	\$ 20.35
2" meter	\$ 136.00	\$ 65.12
3" meter	\$ 255.00	\$ 122.10
4" meter	\$ 425.00	\$ 203.50
Usage Charge, per 100 cubic feet	\$ 5.56	
Usage Charge, per 1000 gallons	\$ 7.43	

MONTHLY FLAT RATE: (Residential and Commercial)

<u>Sewer only:</u>		Assessment
Residential (3/4 inch meter)	\$ 31.50	\$ 8.14
Commercial (3/4 inch meter)	\$ 31.50	\$ 8.14
Restaurant	\$ 252.00	\$ 65.12
Mobile Home Park	\$ 472.50	\$ 122.10

Reconnection Charges:

If water service is cut off by utility for good cause	\$ 15.00
If sewer service is cut off by utility for good cause	\$ 15.00

Connection Charge:

Water	\$600
Sewer	\$600

<u>Bills Due:</u>	On billing date
<u>Bills Past Due:</u>	25 days after billing date

<u>Billing frequency:</u>	Shall be monthly for service in arrears
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EXHIBIT NO. P-1
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APPENDIX A
PAGE 3 OF 3

Finance Charge For Late Payment: 1% per month will be applied to the unpaid balance of all bills still past due 25 days after the billing date

Issued in Accordance with Authority by the North Carolina Utilities Commission in Docket No. W-1274, Sub 9, on this the ____ day of _____, 2022.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

NOTICE TO CUSTOMERS
DOCKET NO. W-1274, SUB 9
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

Notice is given that the North Carolina Utilities Commission has granted Lake Junaluska Assembly, Incorporated (Applicant), an increase in its sewer rates in Lake Junaluska Assembly (LJA) service area in Haywood County, North Carolina.

The Applicant filed a letter with the Commission pursuant to N.C. Gen. Stat. § 62-133.11, requesting authority to amend its tariff for the purpose of passing along to sewer customers in its LJA service area in Haywood County an increase in the cost of purchasing sewer treatment from the Town of Waynesville. N.C.G.S. § 62-133.11 provides that the Commission shall allow a water or sewer utility to adjust its rates approved pursuant to N.C.G.S. § 62-133 to reflect changes in its costs based solely on changes in the rates imposed by third-party suppliers of purchased water or sewer service.

The Public Staff reviewed the current rates for sewer treatment and recommend rates for sewer service are shown below:

Monthly Metered Sewer Service: (Residential and Commercial)

	Present Rates	Public Staff Recommend Rates
Base facility charge (zero usage)		
3/4" meter	\$ 17.00	\$ 17.00
1" meter	\$ 42.50	\$ 42.50
2" meter	\$ 136.00	\$ 136.00
3" meter	\$ 255.00	\$ 255.00
4" meter	\$ 425.00	\$ 425.00
Usage charge, per 100 cubic feet	\$ 5.20	\$ 5.56
Usage charge, per 1,000 gallons	\$ 6.95	\$ 7.43

Monthly Flat Rate Sewer Service (Residential and Commercial)

	Present Rates	Public Staff Recommend Rates
Sewer Only		
Residential (3/4" meter)	\$ 30.25	\$ 30.25
Commercial (3/4" meter)	\$ 30.25	\$ 30.25
Restaurant	\$ 242.00	\$ 252.00
Mobile Home Park	\$ 453.75	\$ 472.50

The new rates will increase the average residential monthly bill by \$1.00, from \$57.72 to \$58.72 based on an average usage of 2.78 ccf (not including \$16.48 for the water and sewer capital improvement assessment).

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

CERTIFICATE OF SERVICE

I, _____, mailed with sufficient postage or hand delivered to all affected customers the attached Notice to Customers issued by the North Carolina Utilities Commission in Docket No. W-1274, Sub 9, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2022.

By: _____
Signature

Name of Utility Company

The above named Applicant, _____, personally appeared before me this day and, being first duly sworn, says that the required Notice to Customers was mailed or hand delivered to all affected customers, as required by the Commission Order dated _____ in Docket No. W-1274, Sub 9.

Witness my hand and notarial seal, this the ____ day of _____, 2022.

Notary Public

Printed Name

(SEAL) My Commission Expires: _____
Date

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 57

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Old North State Water)	
Company, LLC, 3212 6th Avenue South, Suite	)	ORDER GRANTING
200, Birmingham, Alabama, 35222, for a	)	FRANCHISE AND
Certificate of Public Convenience and	)	APPROVING RATES
Necessity to Provide Water Utility Service in)	
Prescott Subdivision in Wake County, North)	
Carolina, and for Approval of Rates)	

BY THE COMMISSION: On April 9, 2020, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Prescott subdivision in Wake County, North Carolina, and for approval of rates.

The Public Staff presented this matter at the Commission’s Staff Conference on January 3, 2022. The Public Staff recommended that the Commission issue an order granting the franchise and approving the proposed rates.

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

FINDINGS OF FACT

1. ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC’s record of service is satisfactory.
2. ONSWC presently serves 21 water customers in Prescott. ONSWC expects to eventually serve 32 water customers in Prescott. The service area is shown on plans filed with the Application.
3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for

Prescott subdivision, part of Water System No. NC4092172. The plans are approved under serial number 17-01164, dated November 9, 2018.

4. ONSWC has entered into an Agreement for Water Service dated October 1, 2018, with Solid Rock Construction of NC, Inc. (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family equivalent unit (SFRE) for water service, to be paid one time by the builder or person first requesting service to a particular lot. ONSWC is purchasing the water system for \$1,000 per residential equivalent unit (REU) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

5. Pursuant to the Commission's August 26, 2019 Order in Docket No. W-100, Sub 57, a utility is required to collect income tax on contributions in aid of construction (CIAC) from a contributor when contributions were contracted for on or after October 5, 2018. Notwithstanding the Commission's August 26, 2019 Order, in accordance with N.C. Gen. Stat. § 62-133.12B, beginning July 2, 2021, a "water or wastewater public utility is solely responsible for funding the income taxes on taxable contributions in aid of construction and customer advances for construction and shall record the income taxes the water or wastewater utility pays in accumulated deferred income taxes for accounting and rate-making purposes." As the Agreement was dated prior to the Commission's October 5, 2018 order, ONSWC was not required to collect the gross up.

6. ONSWC has filed all exhibits required with the Application.

7. ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

8. ONSWC proposes to charge its present water service rates approved by the Commission on December 7, 2016, in Docket No. M-100, Sub 138 and W-1300, Sub 11.

9. The Public Staff recommends that ONSWC be required to post a \$10,000 bond for Prescott. ONSWC currently has a \$750,000 bond secured by an irrevocable letter of credit with BNY Mellon, National Association posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of ONSWC's unassigned bond surety should be assigned to Prescott in Wake County, North Carolina; that the new franchise should be

granted; that the meter installation fee and connection fee should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$10,000 of Old North State Water Company, LLC's unassigned surety bond secured by an irrevocable letter of credit with BNY Mellon, National Association is assigned to Prescott in Wake County, North Carolina. The remaining unassigned bond surety shall be \$70,000 (a total of \$50,000 is being assigned concurrently in Docket No. W-1300, Subs 57, 58, 59, 65, and 66);

2. That Old North State Water Company, LLC is granted a Certificate of Public Convenience and Necessity to provide water utility service in Prescott in Wake County, North Carolina;

3. That Appendix A, attached hereto, constitutes the Certificate of Public Convenience and Necessity;

4. That Old North State Water Company, LLC's existing Schedule of Rates for water utility service approved by the Commission's Order issued on December 7, 2016, in Docket Nos. M-100, Sub 138, and W-1300, Sub 11, for Twin Lake Farm subdivision in Wake County, North Carolina is approved for water utility service in Prescott, in Wake County, North Carolina.

5. That a meter installation fee of \$70 and a connection fee of \$500 per single-family residential equivalent connection for water utility service are approved for Prescott.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of ____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 57

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

at

PRESCOTT 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 _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 58

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Old North State Water)	
Company, LLC, 3212 6th Avenue South, Suite	)	ORDER GRANTING
200, Birmingham, Alabama, 35222, for a	)	FRANCHISE AND
Certificate of Public Convenience and	)	APPROVING RATES
Necessity to Provide Water Utility Service in)	
Brook Meadow Subdivision in Wake County,)	
North Carolina, and for Approval of Rates)	

BY THE COMMISSION: On April 29, 2019, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Brook Meadow subdivision in Wake County, North Carolina, and for approval of rates. On July 16, 2021, ONSWC filed an amended Application.

The Public Staff presented this matter at the Commission’s Staff Conference on January 3, 2022. The Public Staff recommended that the Commission issue an order granting the franchise and approving the proposed rates.

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

FINDINGS OF FACT

1. ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC’s record of service is satisfactory.

2. ONSWC presently serves 12 water customers in Brook Meadow. The total number of approved connections for Brook Meadow is 12 connections. The service area is shown on plans filed with the Application.

3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Brook Meadow subdivision, part of Water System No. NC4092180. The plans are approved under serial number 18-00008, dated April 24, 2018.

4. ONSWC has entered into an Agreement for Water Service dated April 24, 2017, with ESB Partners, LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70. ONSWC is purchasing the water system for \$500 per residential equivalent unit (REU) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

5. Pursuant to the Commission's August 26, 2019 Order in Docket No. W-100, Sub 57, a utility is required to collect income tax on contributions in aid of construction (CIAC) from a contributor when contributions were contracted for on or after October 5, 2018. Notwithstanding the Commission's August 26, 2019 Order, in accordance with N.C. Gen. Stat. § 62-133.12B, beginning July 2, 2021, a "water or wastewater public utility is solely responsible for funding the income taxes on taxable contributions in aid of construction and customer advances for construction and shall record the income taxes the water or wastewater utility pays in accumulated deferred income taxes for accounting and rate-making purposes." As the Agreement was dated prior to the Commission's October 5, 2018 order, ONSWC was not required to collect the gross up.

6. ONSWC has filed all exhibits required with the Application.

7. ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

8. ONSWC proposes to charge its present water service rates approved by the Commission on December 7, 2016, in Docket No. M-100, Sub 138 and W-1300, Sub 11.

9. The Public Staff recommends that ONSWC be required to post a \$10,000 bond for Brook Meadow. ONSWC currently has a \$750,000 bond secured by an irrevocable letter of credit with BNY Mellon, National Association posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of ONSWC's unassigned bond surety should be assigned to Brook Meadow in Wake County, North Carolina; that the new franchise should be granted; that the meter installation fee should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

2. That \$10,000 of Old North State Water Company, LLC's unassigned surety bond secured by an irrevocable letter of credit with BNY Mellon, National Association is assigned to Brook Meadow in Wake County, North Carolina. The remaining unassigned bond surety shall be \$70,000 (a total of \$50,000 is being assigned concurrently in Docket No. W-1300, Subs 57, 58, 59, 65, and 66);

2. That Old North State Water Company, LLC is granted a Certificate of Public Convenience and Necessity to provide water utility service in Brook Meadow in Wake County, North Carolina;

3. That Appendix A, attached hereto, constitutes the Certificate of Public Convenience and Necessity;

4. That Old North State Water Company, LLC's existing Schedule of Rates approved by the Commission's Order issued on December 7, 2016, in Docket Nos. M-100, Sub 138, and W-1300, Sub 11, for Twin Lake Farm subdivision in Wake County, North Carolina is approved for water utility service in Brook Meadow, in Wake County, North Carolina.

5. That a meter installation fee of \$70 is approved for Brook Meadow.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of ____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 58

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

at

BROOK MEADOW 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 _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 59

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Old North State Water)	
Company, LLC, 3212 6th Avenue South, Suite	)	ORDER GRANTING
200, Birmingham, Alabama, 35222, for a	)	FRANCHISE AND
Certificate of Public Convenience and	)	APPROVING RATES
Necessity to Provide Water Utility Service in)	
Thatcher Woods Subdivision in Guilford)	
County, North Carolina, and for Approval of)	
Rates)	

BY THE COMMISSION: On June 26, 2020, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Thatcher Woods subdivision in Guilford County, North Carolina, and for approval of rates. On March 30, 2021, ONSWC filed an amended Application.

The Public Staff presented this matter at the Commission’s Staff Conference on January 3, 2022. The Public Staff recommended that the Commission issue an order granting the franchise and approving the proposed rates.

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

FINDINGS OF FACT

1. ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC’s record of service is satisfactory.

2. ONSWC presently serves 32 water customers in Thatcher Woods. The total number of approved connections for Thatcher Woods is 32 connections. The service area is shown on plans filed with the Application.

3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Thatcher Woods subdivision, part of Water System No. NC3041113. The plans are approved under serial number 19-00052, dated April 20, 2019.

4. ONSWC has entered into an Agreement for Water Service dated October 4, 2018, with Alcorn Road, LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family equivalent unit (SFRE) for water service, to be paid one time by the builder or person first requesting service to a particular lot. ONSWC is purchasing the water system for \$1,000 per residential equivalent unit (REU) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

5. Pursuant to the Commission's August 26, 2019 Order in Docket No. W-100, Sub 57, a utility is required to collect income tax on contributions in aid of construction (CIAC) from a contributor when contributions were contracted for on or after October 5, 2018. Notwithstanding the Commission's August 26, 2019 Order, in accordance with N.C. Gen. Stat. § 62-133.12B, beginning July 2, 2021, a "water or wastewater public utility is solely responsible for funding the income taxes on taxable contributions in aid of construction and customer advances for construction and shall record the income taxes the water or wastewater utility pays in accumulated deferred income taxes for accounting and rate-making purposes." As the Agreement was dated prior to the Commission's October 5, 2018 order, ONSWC was not required to collect the gross up.

6. ONSWC has filed all exhibits required with the Application.

7. ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

8. ONSWC proposes to charge its present water service rates approved by the Commission on December 7, 2016, in Docket No. M-100, Sub 138 and W-1300, Sub 11.

9. The Public Staff recommends that ONSWC be required to post a \$10,000 bond for Thatcher Woods. ONSWC currently has a \$750,000 bond secured by an irrevocable letter of credit with BNY Mellon, National Association posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of ONSWC's unassigned bond surety should be assigned to Thatcher Woods in Guilford County, North Carolina; that the new franchise should be granted; that the meter installation fee and connection fee should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

3. That \$10,000 of Old North State Water Company, LLC's unassigned surety bond secured by an irrevocable letter of credit with BNY Mellon, National Association is assigned to Thatcher Woods in Guilford County, North Carolina. The remaining unassigned bond surety shall be \$70,000 (a total of \$50,000 is being assigned concurrently in Docket No. W-1300, Subs 57, 58, 59, 65, and 66);

2. That Old North State Water Company, LLC is granted a Certificate of Public Convenience and Necessity to provide water utility service in Thatcher Woods in Guilford County, North Carolina;

3. That Appendix A, attached hereto, constitutes the Certificate of Public Convenience and Necessity;

4. That Old North State Water Company, LLC's existing Schedule of Rates for water utility service approved by the Commission's Order issued on December 7, 2016, in Docket Nos. M-100, Sub 138, and W-1300, Sub 11, for Twin Lake Farm subdivision in Wake County, North Carolina is approved for water utility service in Thatcher Woods, in Guilford County, North Carolina.

5. That a meter installation fee of \$70 and a connection fee of \$500 per single-family residential equivalent connection for water utility service are approved for Thatcher Woods.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of ____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 59

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

at

THATCHER WOODS SUBDIVISION

Guildford 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 _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 65

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Old North State Water)	
Company, LLC, 3212 6th Avenue South, Suite	)	ORDER GRANTING
200, Birmingham, Alabama, 35222, for a	)	FRANCHISE AND
Certificate of Public Convenience and	)	APPROVING RATES
Necessity to Provide Water Utility Service in)	
Fish Hawk Ranch Subdivision in Wake County,)	
North Carolina, and for Approval of Rates)	

BY THE COMMISSION: On March 23, 2020, Old North State Water Company, LLC (ONSWC), filed an Application for a Certificate of Public Convenience and Necessity (Application) to provide water utility service in Fish Hawk Ranch subdivision in Wake County, North Carolina, and for approval of rates.

The Public Staff presented this matter at the Commission’s Staff Conference on January 3, 2022. The Public Staff recommended that the Commission issue an order granting the franchise and approving the proposed rates.

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

FINDINGS OF FACT

1. ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC’s record of service is satisfactory.
2. ONSWC presently serves 37 water customers in Fish Hawk Ranch. ONSWC expects to eventually serve 69 water customers in Fish Hawk Ranch. The service area is shown on plans filed with the Application.
3. The North Carolina Department of Environmental Quality, Division of Water Resources, Public Water Supply Section, has issued a plan approval letter for Fish Hawk

Ranch subdivision, part of Water System No. NC4092179. The plans are approved under serial number 18-00298, dated April 15, 2019.

4. ONSWC has entered into an Agreement for Water Service dated September 24, 2018, with Cheyenne Developers, LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family equivalent unit (SFRE) for water service, to be paid one time by the builder or person first requesting service to a particular lot. ONSWC is purchasing the water system for \$1,000 per residential equivalent unit (REU) from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

5. Pursuant to the Commission's August 26, 2019 Order in Docket No. W-100, Sub 57, a utility is required to collect income tax on contributions in aid of construction (CIAC) from a contributor when contributions were contracted for on or after October 5, 2018. Notwithstanding the Commission's August 26, 2019 Order, in accordance with N.C. Gen. Stat. § 62-133.12B, beginning July 2, 2021, a "water or wastewater public utility is solely responsible for funding the income taxes on taxable contributions in aid of construction and customer advances for construction and shall record the income taxes the water or wastewater utility pays in accumulated deferred income taxes for accounting and rate-making purposes." As the Agreement was dated prior to the Commission's October 5, 2018 order, ONSWC was not required to collect the gross up.

6. ONSWC has filed all exhibits required with the CPCN.

7. ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

8. ONSWC proposes to charge its present water service rates approved by the Commission on December 7, 2016, in Docket No. M-100, Sub 138 and W-1300, Sub 11.

9. The Public Staff recommends that ONSWC be required to post a \$10,000 bond for Fish Hawk Ranch. ONSWC currently has a \$750,000 bond secured by an irrevocable letter of credit with BNY Mellon, National Association posted with the Commission. Of this amount, \$630,000 of bond surety is assigned to specific subdivisions, and \$120,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission concludes that \$10,000 of ONSWC's unassigned bond surety should be assigned to Fish Hawk Ranch in Wake County, North Carolina;

that the new franchise should be granted; that the meter installation fee and connection fee should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

4. That \$10,000 of Old North State Water Company, LLC's unassigned surety bond secured by an irrevocable letter of credit with BNY Mellon, National Association is assigned to Fish Hawk Ranch in Wake County, North Carolina. The remaining unassigned bond surety shall be \$70,000 (a total of \$50,000 is being assigned concurrently in Docket No. W-1300, Subs 57, 58, 59, 65, and 66);

2. That Old North State Water Company, LLC is granted a Certificate of Public Convenience and Necessity to provide water utility service in Fish Hawk Ranch in Wake County, North Carolina;

3. That Appendix A, attached hereto, constitutes the Certificate of Public Convenience and Necessity;

4. That Old North State Water Company, LLC's existing Schedule of Rates for water utility service approved by the Commission's Order issued on December 7, 2016, in Docket Nos. M-100, Sub 138, and W-1300, Sub 11, for Twin Lake Farm subdivision in Wake County, North Carolina is approved for water utility service in Fish Hawk Ranch, in Wake County, North Carolina.

5. That a meter installation fee of \$70 and a connection fee of \$500 per single-family residential equivalent connection for water utility service are approved for Fish Hawk Ranch.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of ____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 65

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

at

FISH HAWK RANCH 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 _____, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 66

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Notification by Old North State Water Company,)	
LLC, 3212 6th Avenue South, Suite 200,	)	ORDER RECOGNIZING
Birmingham, Alabama, 35222, of Intention to Begin	)	CONTIGUOUS
Operations in Contiguous Service Area to Provide	)	EXTENSION AND
Water Utility Service in Sterling Crest Phase 2	)	APPROVING RATES
Subdivision in Wake County, North Carolina, and)	
for Approval of Rates)	

BY THE COMMISSION: On March 26, 2020, Old North State Water Company, LLC (ONSWC), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) to provide water utility service in Sterling Crest Phase 2 subdivision, in Wake County, North Carolina. Sterling Crest Phase 2 is contiguous to ONSWC’s Camp Kanata service area. ONSWC proposes to charge the rates currently approved for that service area.

The Public Staff presented this matter at the Commission’s Staff Conference on January 3, 2022. The Public Staff recommended 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. ONSWC presently holds water franchises serving approximately 1,688 customers and wastewater franchises serving approximately 4,404 customers in North Carolina. ONSWC’s record of service is satisfactory.
2. ONSWC presently serves 12 water customers in Sterling Crest Phase 2. Camp Kanata Road subdivision has been approved for 139 connections in total across all the phases. 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 Sterling Crest Phase 2 subdivision, part of Water System No. NC4092145. The plans are approved under serial number 17-00964, dated November 9, 2017.
4. ONSWC has entered into an Agreement for Water Service dated December 14, 2017, with Sterling Crest II LLC (Developer), under which the Developer is installing the water utility system. ONSWC is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family equivalent unit (SFRE) for water service, to be paid on time by the builder or person first requesting service to that particular lot.
5. Pursuant to the Commission's August 26, 2019 Order in Docket No. W-100, Sub 57, a utility is required to collect income tax on contributions in aid of construction (CIAC) from a contributor when contributions were contracted for on or after October 5, 2018. Notwithstanding the Commission's August 26, 2019 Order, in accordance with N.C. Gen. Stat. § 62-133.12B, beginning July 2, 2021, a "water or wastewater public utility is solely responsible for funding the income taxes on taxable contributions in aid of construction and customer advances for construction and shall record the income taxes the water or wastewater utility pays in accumulated deferred income taxes for accounting and rate-making purposes." As the Agreement was dated prior to the Commission's October 5, 2018 order, ONSWC was not required to collect the gross up.
6. ONSWC has filed all exhibits required with the Notification.
7. ONSWC has the technical, managerial, and financial capacity to provide water utility service in this franchise location.
8. ONSWC proposes to charge the water utility services rates approved by the Commission on December 7, 2016, in Docket No. M-100, Sub 138 and W-1300, Sub 11.
9. The Public Staff recommended that ONSWC be required to post a \$10,000 bond for Sterling Crest Phase 2. ONSWC currently has \$750,000 of bond secured by an irrevocable letter of credit with BNY Mellon, National Association posted with the Commission. Of this amount, \$600,000 of bond surety is assigned to specific subdivisions, and \$150,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendation of the Public Staff, the Commission concludes that \$10,000 of ONSWC's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by ONSWC in Sterling Crest Phase 2 should be recognized as meeting the Commission's criteria for the extension; the meter installation fee and connection fee should be approved; and the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That \$10,000 of Old North State Water Company, LLC's unassigned surety bond secured by an irrevocable letter of credit with BNY Mellon, National Association is assigned to Sterling Crest Phase 2. The remaining unassigned bond surety shall be \$70,000 (a total of \$50,000 is being assigned concurrently in Docket No. W-1300, Subs 57, 58, 59, 65, and 66);

2. That the contiguous extension of water utility service from Sterling Crest Phase 2 into Camp Kanata subdivision 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 Old North State Water Company, LLC's Certificate of Public Convenience and Necessity covering the contiguous extension;

3. That Old North State Water Company, LLC's existing Schedule of Rates approved by Commission Order issued on December 7, 2016, in Docket No. M-100, Sub 138 and W-1300, Sub 11, is approved for utility service in Sterling Crest Phase 2, in Wake County, North Carolina; and

4. That a meter installation fee of \$70 and a connection fee of \$500 per single-family residential equivalent connection for water utility service are approved for Sterling Crest Phase 2.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of January, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-1300, SUB 66

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

OLD NORTH STATE WATER COMPANY, LLC

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

to provide water utility service

in

STERLING CREST PHASE 2 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 January, 2022.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

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