

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-354, Sub 399

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Carolina Water Service, Inc.)
of North Carolina for a Certificate of)
Convenience and Necessity to Provide)
Water Utility Service to the Carteret County)
Water System, and for Approval of Rates)

ORDER APPROVING BOND,
SCHEDULE OF RATES, AND
CUSTOMER NOTICE

BY THE PRESIDING COMMISSIONER: On August 29, 2023, in the above-captioned docket, the Commission issued an Order Granting Certificate of Public Convenience and Necessity, Approving Rates, and Requiring Compliance Filing, Bond, and Customer Notice (August 29, 2023 Order). Ordering Paragraphs 3 and 8 of the August 29, 2023 Order require as follows:

3. That at the earlier of 30 days of this Order or the closing of the sale of the [Carteret County Water] System, CWSNC shall file for Commission approval a rate schedule that complies with this Order, said rates to apply for four years after the date of the closing, unless otherwise ordered by this Commission;

8. That CWSNC shall submit a proposed customer notice to the Commission for review and approval, and upon approval of the notice by the Commission, shall give appropriate notice of the approved rate increase by mailing the notice to each of the [Carteret County Water] System customers during the billing cycle following the closing of the sale of the [Carteret County Water] System.

On September 28, 2023, Carolina Water Service, Inc. of North Carolina (CWSNC) filed its proposed Schedule of Rates (Appendix A) and proposed Customer Notice (Appendix B) for review and approval by the Commission as required by the August 29, 2023 Order. No party filed an objection to CWSNC's September 28, 2023 filing.

The Presiding Commissioner has reviewed the proposed Schedule of Rates (Appendix A) and proposed Notice to Customers (Appendix B) and, based on the foregoing, along with the entire record of proceedings in this docket, finds good cause to approve Appendices A and B, attached hereto. Further, consistent with Ordering Paragraph No. 8 of the August 29, 2023 Order, CWSNC shall mail with sufficient postage or hand deliver the approved customer notice (Appendix B), including a copy of the

approved Schedule of Rates (Appendix A) to each of the affected customers during the billing cycle following the closing of the sale of the Carteret County Water System.

Regarding the appropriate bond for CWSNC to post with the Commission related to this transfer, Ordering Paragraph 7 of the August 29, 2023 Order requires as follows:

7. That the Public Staff and CWSNC shall work together to recommend an appropriate bond, which shall be approved by further order of the Commission;

On October 9, 2023, the Public Staff filed a letter stating that pursuant to Ordering Paragraph No. 7 of the August 29, 2023 Order, the Public Staff has worked with CWSNC and recommends a bond of \$75,000 for the Carteret County Water System consistent with the considerations identified in N.C. Gen. Stat. § 62-110.3. The Public Staff stated that the Carteret County Water System consists of two water systems, North River/Mill Creek and Merrimon, and serves over 1,250 water utility customers. CWSNC currently has \$140,000 of unassigned surety bond on file with the Commission. The Public Staff commented that the considerations for determining the appropriate amount of bond for these two water systems included the number of water and wastewater franchises CWSNC holds in North Carolina, CWSNC's record of operation, the number of customers CWSNC serves in North Carolina, the amount of bond already posted by CWSNC, and the condition of the Carteret County water utility systems.

Based on the foregoing, the Presiding Commissioner concludes that the \$75,000 bond amount recommended by the Public Staff and accepted by CWSNC for the North River/Mill Creek and Merrimon water systems is reasonable and appropriate and should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That a \$75,000 bond and surety for the North River/Mill Creek and Merrimon water systems is hereby approved;

2. That \$75,000 of CWSNC's \$140,000 unassigned surety bond shall be assigned to the North River/Mill Creek and Merrimon service areas. CWSNC's remaining unassigned bond surety shall be \$65,000;

3. That the Schedule of Rates, attached hereto as Appendix A, is approved and deemed to be 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 the closing of the sale of the Carteret County Water System to CWSNC and such rates shall apply for four years after closing, unless otherwise ordered by the Commission;

4. That the Notice to Customers, attached as Appendix B hereto, shall be mailed with sufficient postage or hand delivered by CWSNC to all affected customers

during the first billing cycle following the closing of the sale of the Carteret County Water System;

5. That CWSNC shall submit to the Commission the attached Certificate of Service properly signed and notarized not later than 15 days after the mailing or hand delivery of the Notice to Customers; and

6. That CWSNC shall provide notice to the Commission promptly upon closing the sale of the Carteret County Water System.

ISSUED BY ORDER OF THE COMMISSION.

This the 16th day of October, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script that reads "Tamika D. Conyers". The signature is written in black ink and is positioned above the printed name.

Tamika D. Conyers, Deputy Clerk

SCHEDULE OF RATES

CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA

for providing water utility service

in

NORTH RIVER/MILL CREEK AND MERRIMON

WATER RATES AND CHARGES

Monthly Metered Water Service (Residential and Commercial):

Base Facility Charge (includes first 1,000 gallons of usage)

North River / Mill Creek:

3/4" meter	\$ 40.25
1" meter	\$ 55.60
2" meter	\$160.90
4" meter	\$497.25

Town of Beaufort (Eastman's Creek): \$ 40.25

Merrimon:

3/4" meter \$ 23.40

Usage Charge, per 1,000 gallons (all systems): \$ 10.10
(above first 1,000 gallons of usage)

Fire Hydrant Usage:

Hookup & Service Charge, per month: \$109.70

Mobilization to hydrant site and employee on site during tank fill.

Deposit	\$200.00
Usage Charge, per 1,000 gallons	\$ 12.80

Hydrant & Hydrant Meter Tampering

1 st Offense	\$250.00
2 nd Offense (and Legal Action)	\$500.00

Damage Fee – Fire Hydrant \$2,500.00

Fire Line - Sprinkler Fee:

<u>Meter Size</u>	<u>Monthly Fee</u>
2"	\$ 40.25
4"	\$ 47.55
6"	\$109.70
8"	\$153.55

Tap Fees:

<u>Meter Size</u>	<u>Tap Fee**</u>
3/4"	\$1,000.00
1"	\$1,150.00
2"	Cost + 10%
4"	Cost + 10%

**Additional \$900.00 Tap Fee for any meter requiring road bore work.

Any meter 2 inch or larger will be charged cost of materials and installation, engineering fees, and an additional 10%.

Damage and Tampering Fees:

Tampering Fee – Meters	\$100.00
2 nd Offense (and Legal Action)	\$500.00
Damage Fee – Meters	\$135.00
Damage Fee – MXU Remote Unit	\$135.00

Meter Testing Fee: ^{1/} \$ 20.00

Reconnection Charge: ^{2/}

If water service is cut off by utility for good cause	\$ 30.00
If water service is discontinued at customer's request	\$ 30.00

New Water Customer Charge: \$ 30.00

MISCELLANEOUS UTILITY MATTERS

<u>Charge for processing NSF Checks:</u>	\$ 25.00
<u>Bills Due:</u>	On billing date
<u>Bills Past Due:</u>	21 days after billing date
<u>Billing Frequency:</u>	Bills shall be rendered monthly for service in arrears.
<u>Finance Charge for Late Payment:</u>	1% per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.

Notes:

^{1/} If a customer requests a test of a water meter more frequently than once in a 24-month period, the Company will collect a \$20.00 service charge to defray the cost of the test. If the meter is found to register in excess of the prescribed accuracy limits, the meter testing charge will be waived. If the meter is found to register accurately or below prescribed accuracy limits, the charge shall be retained by the Company. Regardless of the test results, customers may request a meter test once in a 24-month period without charge.

^{2/} Customers who request to be reconnected within nine months of disconnection at the same address shall be charged the base facility charge for the service period they were disconnected.

**STATE OF NORTH CAROLINA
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RALEIGH**

**NOTICE TO CUSTOMERS
DOCKET NO. W-354, SUB 399
BEFORE THE NORTH CAROLINA UTILITIES COMMISSION**

Notice is hereby given that by Order dated August 29, 2023 (Order), the North Carolina Utilities Commission (Commission) approved the transfer of ownership of the Carteret County water system to Carolina Water Service, Inc. of North Carolina (CWSNC or Company) and granted CWSNC a Certificate of Public Convenience and Necessity (CPCN) to provide water utility service in the North River/Mill Creek and Merrimon service areas effective upon the date CWSNC provides the Commission notice of closing of the sales transaction. CWSNC's ownership of the Carteret County water system will begin when the purchase is closed by CWSNC and Carteret County.

Under the CPCN granted to CWSNC, the Company is authorized to charge the water rates attached to this Notice to Customers effective for service rendered on and after the date of closing of the transfer of the Carteret County water utility system assets to CWSNC. CWSNC has agreed that rates charged to the customers of the Carteret County water system will remain at Carteret County's current water rates for a period of four years from the date the sale of the System is closed, unless otherwise ordered by the Commission.

Customers may review the complete Commission Order on the Commission's website (www.ncuc.gov), by clicking on Docket Search under the Dockets tab; then for Docket Number, entering "W-354 Sub 399", and clicking on Documents to locate the Order dated August 29, 2023. Please be sure to uncheck the box next to "Exclude closed dockets."

Customers may call CWSNC regarding service issues and billing questions at 1-800-525-7990.

ISSUED BY ORDER OF THE COMMISSION.

This the 16th day of October, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script that reads "Tamika D. Conyers". The signature is written in black ink and is positioned above the printed name of the signatory.

Tamika D. Conyers, Deputy 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-354, Sub 399, and the Notice was mailed or hand delivered by the date specified in the Order.

This the ____ day of _____, 2023.

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-354, Sub 399.

Witness my hand and notarial seal, this the ____ day of _____, 2023.

Notary Public

Printed Name

(SEAL) My Commission Expires: _____
Date