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July 22, 2020

Mr. Christopher J. Ayers  
Executive Director  
State of North Carolina  
Public Utilities Commission  
4326 Mail Service Center  
Raleigh, NC 27699-4300

Sent via email to [statements@ncuc.et](mailto:statements@ncuc.et)

SUBJECT: Rate Increase for AQUA North Carolina  
Docket No. W-218, Sub 526

BACKGROUND: AQUA maintains the well and water distribution system in our development – the Morristown Subdivision. This was an existing system deeded to AQUA in exchange for providing water only at a reasonable fee.

SITUATION:

1. AQUA has requested a 9.1% increase in fees.
2. This rate increase is totally unreasonable considering the economic data in todays economic environment. Examples may be taken from the U.S. Bureau of Labor Statistics and listed as follows:
  - a. Energy costs to pump water and fuel service trucks are down the past 12 months. The CPI for Energy is down 10% in the past 12 months.
  - b. The CPI for Services (id# SUUR0000SAS) is only up 1.8% between June 2019 and June 2020 and is up 4% from June 2018 to June 2020 (2% annual average).

The above data indicates AQUA NC should be operating their business with a 2% inflation factor to provide the agreed upon water services. Any request over and above the 2% established CPI rates should be not be allowed.

The Morristown Homeowners Association would not have entered into this agreement if homeowners knew increases in fees would not be applied in a fair and equitable manner.

Respectfully,

Gregory Broxterman  
Homeowner  
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