# STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

# STAFF CONFERENCE AGENDA NOVEMBER 19, 2018

#### **COMMISSION STAFF**

NO AGENDA ITEMS

## **PUBLIC STAFF**

# D. ELECTRIC

# P1. <u>APPLICATIONS FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY TO CONSTRUCT SOLAR FACILITIES</u>

EXPLANATION: The following applications seeking certificates of public convenience and necessity pursuant to N.C. Gen. Stat. § 62-110.1 for construction of solar photovoltaic electric generating facilities were filed pursuant to Commission Rule R8-64.

### **Duke Energy Progress:**

<u>Docket No. SP-8467, Sub 0</u> – Application of Friesian Holdings, LLC, for an amended Certificate of Public Convenience and Necessity to Construct a 75-MW Solar Photovoltaic Facility in Scotland County, North Carolina (registration statement issued previously)

#### Dominion Energy North Carolina:

- <u>Docket No. SP-8464, Sub 0</u> Application of Manning Solar, LLC, for a Certificate of Public Convenience and Necessity to Construct a 4-MW Solar Photovoltaic Facility in Edgecombe County, North Carolina (no registration statement)
- <u>Docket No. SP-11191, Sub 0</u> Application of Kruger Energy Hertford, LLC, for a Certificate of Public Convenience and Necessity to Construct an 21.6-MW Solar Photovoltaic Facility in Hertford County, North Carolina

The Public Staff has reviewed the applications and determined that they comply with the requirements of N.C. Gen. Stat. § 62-110.1 and Commission Rule R8-64.

RECOMMENDATION: (Saillor/Lucas) That the Commission issue orders approving the applications and issuing the requested certificates for these facilities. Proposed orders have been provided to the Commission Staff.

# E. <u>WATER</u>

# P1. DOCKET NO. W-218, SUB 363A – AQUA NORTH CAROLINA, INC. – APPLICATION FOR APPROVAL TO IMPLEMENT SECONDARY WATER QUALITY SYSTEM IMPROVEMENT PROJECTS

EXPLANATION: On August 14, 2018, and October 24, 2018, Aqua North Carolina, Inc. (Aqua), filed an application for approval to implement four secondary water quality system improvement projects pursuant to N.C. Gen. Stat. § 62-133.12 and Commission Rule R7-39. For each project, Aqua plans to use a filter system such as manganese greensand or magnesium oxide. The four projects and their most recent estimated costs are summarized below.

| <u>System</u>              | County | Well<br>Gallons Per<br>Minute | Aqua Estimated Cost 000's |
|----------------------------|--------|-------------------------------|---------------------------|
| Georges Grant Well 1       | Wake   | 68                            | \$350-\$375               |
| The Barony Well 5          | Wake   | 77                            | \$350-\$375               |
| Upchurch Place Wells 1 & 4 | Wake   | 89                            | \$350-\$375               |
| Woodvalley Well 9          | Wake   | 38                            | \$275-\$300               |
|                            |        | Total                         | \$1.325-\$1.425 Million   |

On November 9, 2018, the Public Staff filed its Report and Recommendations regarding the application. The Public Staff stated that it had thoroughly reviewed the four filter projects proposed by Aqua. This review included review of documents provided by Aqua at the Public Staff's request, site visits, meetings with Aqua engineers and operations managers, and discussion with customers. Based on its review of the application, the Public Staff concluded that for each of these projects, the filters are necessary for Aqua to provide adequate secondary standard water quality. The Public Staff therefore recommended that the Commission approve Aqua's proposed secondary standard water quality projects.

EXHIBIT: A proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Junis/Grantmyre) That the Commission issue the proposed order authorizing Aqua to implement its four proposed filtration projects to comply with secondary water quality standards.

# P2. <u>DOCKET NO. W-1300, SUB 31 – OLD NORTH STATE WATER COMPANY, LLC;</u> <u>DOCKET NO. W-339, SUB 7 – MAXWELL WATER COMPANY – APPLICATION</u> FOR TRANSFER OF FRANCHISE AND APPROVAL OF RATES

EXPLANATION: On November 13, 2017, Old North State Water Company, LLC (Old North State), and Maxwell Water Company (Maxwell), filed an application seeking authority to transfer to Old North State the Blawell Subdivision water utility system assets and franchise in Cumberland County, and approval of rates. As of the date of the application, there were 35 active customers in the Blawell water system service area. The Blawell water system purchases water from the Town of Stedman.

Old North State and Maxwell have entered into an Asset Purchase Agreement (APA) dated October 2016 and signed on November 21, 2016, under which Old North State is purchasing the water utility system for \$1.00 and for reimbursement of up to \$2,000 of Maxwell's attorney's fees with regard to the sale and transfer of the water system.

Upon acquisition of the water system, Old North State plans to make capital improvements. Old North State indicates that the cost to complete the upgrades to the water system is approximately \$9,350.

The present rates for Blawell were approved by Commission order issued December 7, 2016, in Docket No. W-339, Sub 6. Old North State proposes to continue to charge the currently approved rates.

The present and proposed rates are as follows:

#### Monthly Metered Water Utility Service

Base charge, zero usage \$ 34.14 Usage charge, per 1,000 gallons \$ 3.29

The average monthly water bill based upon the average residential monthly consumption of 3,750 gallons would be \$46.48 at the applied for rates.

The Public Staff recommends that an order be issued requiring customer notice, specifying that the matter may be determined without public hearing if no significant protests are received subsequent to customer notice.

EXHIBIT: A proposed order is attached as Exhibit No. P-2.

RECOMMENDATION: (Darden/Feasel/Grantmyre) That an order be issued requiring customer notice, specifying that the matter may be determined without public hearing if no significant protests are received subsequent to customer notice.

# P3. <u>DOCKET NO. W-1300, SUB 50 – OLD NORTH STATE WATER COMPANY, LLC;</u> <u>DOCKET NO. W-632, SUB 7 – JOHN T. BILLINGSLEY, ET AL. – APPLICATION</u> FOR TRANSFER OF FRANCHISE AND APPROVAL OF RATES

EXPLANATION: On April 16, 2018, Old North State Water Company, LLC (Old North State) and John T. Billingsley, et al. (Billingsley), filed an application seeking authority to transfer to Old North State the Dogwood Acres Subdivision water utility system assets and franchise in Rockingham County, and approval of rates. As of the date of the application, there were 30 active customers in the Dogwood Acres water system service area.

Old North State and Billingsley have entered into an Asset Purchase Agreement (APA) dated December 29, 2017, under which Old North State is purchasing the water utility system for \$3,000 and for reimbursement of up to \$1,000 of Billingsley's attorney's fees with regard to the sale and transfer of the water system.

The present rates for Dogwood Acres were approved by Commission order issued December 1, 2017, in Docket No. W-632, Sub 6. Old North State proposes to continue to charge the currently approved rates.

The present and proposed rates are as follows:

#### Monthly Metered Water Utility Service

Base charge, zero usage \$ 17.02 Usage charge, per 1,000 gallons \$ 4.80

The average monthly water bill based upon the average residential monthly consumption of 2,500 gallons would be \$29.02 at the applied for rates.

The Public Staff recommends that an order be issued requiring customer notice, specifying that the matter may be determined without public hearing if no significant protests are received subsequent to customer notice.

EXHIBIT: A proposed order is attached as Exhibit No. P-3.

RECOMMENDATION: (Darden/Feasel/Grantmyre) That an order be issued requiring customer notice, specifying that the matter may be determined without public hearing if no significant protests are received subsequent to customer notice.

EXHIBIT NO. P-1 PAGE 1 OF 4

# STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-218, SUB 363A

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Reporting Requirements from Docket No. W-218,
Sub 363 – Application by Aqua North Carolina, Inc.,
202 MacKenan Court, Cary, North Carolina 27511,
for Approval to Implement Secondary Water Quality
System Improvement Projects Pursuant to N.C. Gen.
Stat. § 62-133.12

ORDER APPROVING
SECONDARY WATER
QUALITY IMPROVEMENT

BY THE COMMISSION: N.C. Gen. Stat. § 62-133.12 authorizes the Commission in a general rate case proceeding to approve a rate adjustment mechanism to allow water and sewer utilities to recover the incremental depreciation expense and capital costs associated with reasonable and prudently incurred investments in eligible water and sewer system improvements. By Order issued May 2, 2014 in Docket No. W-218, Sub 363, the last general rate case proceeding for Aqua North Carolina, Inc. (Aqua), the Commission approved Aqua's request to utilize a Water System Improvement Charge/Sewer System Improvement Charge (WSIC/SSIC) mechanism pursuant to N.C. Gen. Stat. § 62-133.12, finding that the mechanism is in the public interest.

Commission Rules R7-39(f) and R10-26(f) provide that once WSIC and SSIC mechanisms are approved and eligible water and sewer system improvements are in service, the utility (in this case, Aqua) may file a request with the Commission for authority to impose water and sewer system improvement charges pursuant to the mechanisms.

N.C. Gen. Stat. § 62-133.12(c)(2) and (c)(4) provide, in pertinent part, that specific approval from the Commission is necessary before Aqua may undertake and recover its incremental depreciation expense and capital costs through the WSIC mechanism for eligible water system improvements implemented to comply with secondary drinking water standards.

On August 14, 2018 and October 24, 2018, Aqua filed an application for approval to implement four secondary water quality system improvement projects pursuant to N.C. Gen. Stat. § 62-133.12 and Commission Rule R7-39. The four projects and their estimated costs are summarized below.

EXHIBIT NO. P-1 PAGE 2 OF 4

| <u>System</u>              | County | Well<br>Gallons<br>Per Minute | Aqua Estimated Cost 000's |
|----------------------------|--------|-------------------------------|---------------------------|
| Georges Grant Well 1       | Wake   | 68                            | \$350-\$375               |
| The Barony Well 5          | Wake   | 77                            | \$350-\$375               |
| Upchurch Place Wells 1 & 4 | Wake   | 89                            | \$350-\$375               |
| Woodvalley Well 9          | Wake   | 38                            | \$275-\$300               |
|                            |        | Total                         | \$1.325-\$1.425 Million   |

On November 9, 2018, the Public Staff filed its Report and Recommendations regarding Aqua's application. The Public Staff stated that it had thoroughly reviewed the four filter projects proposed by Aqua. Based upon its review of documents and other information provided by Aqua, site visits, and discussions with customers and Aqua's engineers and operations managers, the Public Staff recommended that the Commission approve the proposed projects.

In recommending approval of the projects, the Public Staff advised that decisions to install filters, such as manganese greensand or magnesium oxide, be made judiciously, as installation of such filters is many times more costly than sequestration coupled with According to the Public Staff, the annual revenue requirement adequate flushing. increase for the minimum estimated capital expenditure of \$1,325,000 for the filtration systems proposed in Aqua's application is approximately \$170,925 compared to the annual revenue requirement for the chemical cost for sequestration of approximately \$1,268 The Public Staff stated that the sequestration treatment of iron and manganese with polyphosphates and orthophosphates on water from North Carolina water wells, coupled with comprehensive water main flushing programs, has largely provided adequate secondary standard water quality on many water systems at a very reasonable cost. The process of testing whether the iron and manganese are soluble (clear liquid) or insoluble (solid particles and visible) in raw untreated water at the well head, after treatment with polyphosphate/orthophosphate or SeaQuest at the entry point, and in the distribution system, has been widely used in North Carolina for many years and provides extremely valuable information to assist in evaluations of whether filtration is necessary. These treatment processes are exponentially less expensive than an iron and manganese filtration system. The Public Staff recognized, however, that for secondary water quality issues of considerable magnitude and consistency, sequestration treatment and flushing may not be effective and may necessitate filtration.

EXHIBIT NO. P-1 PAGE 3 OF 4

As discussed in previous reports, the Public Staff strongly supports the implementation of two additional secondary water quality processes: a comprehensive water main flushing program and a comprehensive customer education program. The Public Staff recommended that Aqua continue to upgrade its flushing program. Regarding customer education, the Public Staff noted that with its input, Agua has prepared and posted on its website (https://www.aquaamerica.com/our-states/northcarolina.aspx) a fact sheet titled "Flushing Water Mains," and a best practices document titled "Iron and Manganese in Drinking Water". According to Aqua, these documents have been made available to its employees to distribute to customers they may visit who experience a discolored water issue. The Public Staff stated that it considers the documents to be a useful resources to help customers better understand flushing and minimize the negative effects of discolored water caused by the presence of iron and manganese. The Public Staff stated that Agua most recently created the dedicated website (www.ncwaterquality.com) as a means for the Company to provide information to customers pertaining to iron and manganese. In addition, as part of Aqua's Water Quality Plan, the Company has begun a strategic communications initiative.

In summary, the Public Staff stated that it will continue to carefully and thoroughly review secondary water quality information and documentation presented by Aqua, meet with Aqua engineers and operations managers, conduct selected site visits, discuss secondary water quality issues with customers, and recommend, when appropriate, Commission approval of equipment and infrastructure installations.

The Public Staff presented this matter to the Commission at its Regular Staff Conference on November 19, 2018. The Public Staff stated that each of the filters is necessary for Aqua to provide adequate secondary standard water quality. The Public Staff therefore recommended that the Commission approve Aqua's four proposed secondary standard water quality projects.

Based upon the foregoing, Aqua's application, the Public Staff's Report and Recommendations, and the entire record in this matter, the Commission finds and concludes that Aqua should proceed to implement secondary standard water quality improvements through the installation of Aqua's proposed filtration projects.

EXHIBIT NO. P-1 PAGE 4 OF 4

IT IS, THEREFORE, ORDERED that Aqua is authorized to implement the four filtration projects proposed in its August 14, 2018 and October 24, 2018, applications to comply with secondary water quality standards.

ISSUED BY ORDER OF THE COMMISSION.

This the\_\_\_\_ day of November, 2018.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

EXHIBIT NO. P-2 PAGE 1 OF 5

# STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1300, SUB 31 DOCKET NO. W-339, SUB 7

#### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

| In the Matter of  |                 |
|---|-----------------|
| Application by Old North State Water Company, LLC,      | )               |
| 4700 Homewood Court, Suite 108, Raleigh, North          | )               |
| Carolina 27609, and Maxwell Water Company, Post         | ORDER REQUIRING |
| Office Box 390, Fayetteville, North Carolina 28320, for | CUSTOMER NOTICE |
| Authority to Transfer the Blawell Subdivision Water     | )               |
| System and Franchise in Cumberland County, North        | )               |
| Carolina, and Approval of Rates                         | )               |

BY THE COMMISSION: On November 13, 2017, Old North State Water Company, LLC (Old North State) and Maxwell Water Company (Maxwell), filed an application seeking authority to transfer to Old North State the Blawell Subdivision water utility system assets and franchise in Cumberland County, and approval of rates. As of the date of the application, there were 35 active customers in the Blawell water system service area. The Blawell water system purchases water from the Town of Stedman.

Old North State and Maxwell have entered into an Asset Purchase Agreement (APA) dated October 2016 and signed on November 21, 2016, under which Old North State is purchasing the water utility system for \$1.00 and for reimbursement of up to \$2,000 of Maxwell's attorney's fees with regard to the sale and transfer of the water system.

Upon acquisition of the water system, Old North State plans to make capital improvements. Old North State indicates that the cost to complete the upgrades to the water system is approximately \$9,350.

The present rates for Blawell were approved by the Commission order issued December 7, 2016, in Docket No. W-339, Sub 6. Old North State proposes to continue to charge the currently approved rates.

EXHIBIT NO. P-2 PAGE 2 OF 5

The present and proposed rates are as follows:

Monthly Metered Water Utility Service

Base charge, zero usage \$ 34.14 Usage charge, per 1,000 gallons \$ 3.29

The average monthly water bill based upon the average residential monthly consumption of 3,750 gallons would be \$46.48 at the applied for rates.

The North Carolina Division of Health Services issued a plan approval letter for the Blawell Subdivision under Serial No. 6584, dated May 22, 1972.

This matter was presented at the regular Commission Staff Conference on November 19, 2018. Based on the foregoing, and upon the recommendation of the Public Staff, the Commission is of the opinion that the matter may be determined without public hearing if no significant protests are received subsequent to customer notice.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the Notice to Customers, attached hereto as Appendix A, be mailed with sufficient postage or hand delivered by Old North State to all affected customers no later than three business days after the date of this Order.
- 2. That Old North State shall submit to the Commission the Certificate of Service attached hereto as Appendix B properly signed and notarized not later than ten days from the date of this Order.

| ISSUED   | BY ORDER OF THE CO | OMMISSION.                          |
|----------|--------------------|-------------------------------------|
| This the | day of             | , 2018.                             |
|          |                    | NORTH CAROLINA UTILITIES COMMISSION |
| SEAL)    |                    | M. Lynn Jarvis, Chief Clerk         |

EXHIBIT NO. P-2 PAGE 3 OF 5

APPENDIX A PAGE 1 OF 2

# STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

#### **NOTICE TO CUSTOMERS**

DOCKET NO. W-1300, SUB 31 DOCKET NO. W-339, SUB 7

Notice is given that Old North State Water Company, LLC (Old North State), 4700 Homewood Court, Suite 108, Raleigh, NC 27609, and Maxwell Water Company (Maxwell), Post Office Box 390, Fayetteville, NC 28320, filed an application with the Commission for authority to transfer to Old North State the Blawell Subdivision water system and franchise in Cumberland County, and approval of rates.

The present and proposed rates are as follows:

# Monthly Metered Water Utility Service

Base charge, zero usage \$ 34.14 Usage charge, per 1,000 gallons \$ 3.29

Monthly bill based on 3,750 gallons \$ 46.48

#### PROCEDURE FOR PUBLIC HEARING:

At this point no public hearing has been scheduled. <u>The Commission may decide</u> this matter without a public hearing if no significant protests are received from consumers on or before <u>December 14, 2018</u>. Correspondence concerning this matter, service problems or request for a hearing should be directed to the Public Staff.

The Public Staff is authorized by statute to represent the consumers in proceedings before the Commission. Written statements to the Public Staff should include any information which the writer wishes to be considered by the Public Staff in its investigation of the matter, and such statements should be addressed to Mr. Chris Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina, 27699-432600. Written statements may also be faxed to (919) 715-6704 or e-mailed to Lindsay Darden at <a href="mailto:lindsay.darden@psncuc.nc.gov">lindsay.darden@psncuc.nc.gov</a>.

The Attorney General is also authorized by statute to represent the consumers in proceedings before the Commission. Statements to the Attorney General should be

EXHIBIT NO. P-2 PAGE 4 OF 5

APPENDIX A PAGE 2 OF 2

addressed to The Honorable Josh Stein, Attorney General, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001.

Written statements are not evidence unless those persons submitting the statements appear at a public hearing and testify concerning the information contained in their written statements.

Persons desiring to intervene in the matter as formal parties of record should file a motion under North Carolina Utilities Commission Rules R1-6, R1-7, and R1-19, on or before December 14, 2018. Any such motion should be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

A copy of the application and all filings in this matter are available for review by the public at the Office of the Chief Clerk, 430 North Salisbury Street, Raleigh, North Carolina. Upon request, the Chief Clerk will place a copy of the application and prefiled testimony in centrally located public libraries where they may be copied without prohibition. Such requests may be made by writing to the Chief Clerk, North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300, by giving the name and address of the library to which the information is to be mailed. Information regarding this proceeding can also be accessed from the Commission's website at <a href="https://www.ncuc.net">www.ncuc.net</a>.

| This the day of | , 2018.                             |
|-----------------|-------------------------------------|
|                 | NORTH CAROLINA UTILITIES COMMISSION |
| (SEAL)          | M. Lynn Jarvis, Chief Clerk         |

EXHIBIT NO. P-2 PAGE 5 OF 5

# APPENDIX B

# CERTIFICATE OF SERVICE

| Ι,           |                    | · · · · · · · · · · · · · · · · · · · |               | , maile             | ed with sufficient |
|--------------|--------------------|---------------------------------------|---------------|---------------------|--------------------|
| postage or   | hand delivered to  | all affected                          | customers     | the attached Noti   | ce to Customers    |
| issued by t  | he North Carolina  | Utilities Con                         | nmission in   | Docket No. W-13     | 300, Sub 31, and   |
| Docket No    | . W-339, Sub 7, a  | nd the Notic                          | e was mai     | led or hand delive  | ered by the date   |
| specified in | the Order.         |                                       |               |                     |                    |
| This         | the day of _       |                                       |               | _, 2018.            |                    |
|              |                    | By:                                   |               |                     |                    |
|              |                    | -                                     |               | Signature           |                    |
|              |                    |                                       |               | Name of Utility C   | ompany             |
| The          | above named        | Applicant,                            |               |                     | ,                  |
| personally   | appeared before m  | e this day an                         | d, being firs | st duly sworn, says | that the required  |
| Notice to C  | ustomers was mail  | ed or hand d                          | lelivered to  | all affected custor | mers, as required  |
| by the Con   | nmission Order dat | ed                                    |               | in Docket No.       | W-1300, Sub 31     |
| and Docket   | t No. W-339, Sub 7 |                                       |               |                     |                    |
| Witn         | ess my hand and r  | notarial seal,                        | this the      | day of              | , 2018.            |
|              |                    |                                       |               | Notary Pul          | olic               |
|              |                    |                                       |               | Printed Na          | ame                |
| (SEAL)       | My Commission      | Expires:                              |               | Date                |                    |

EXHIBIT NO. P-3 PAGE 1 OF 5

# STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1300, SUB 50 DOCKET NO. W-632, SUB 7

### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

| In the Matter of  |   |                        |
|---|---|------------------------|
| Application by Old North State Water Company, LLC,        | ) |                        |
| 4700 Homewood Court, Suite 108, Raleigh, North            | ) |                        |
| Carolina 27609, and John T. Billingsley, et al., 149 Penn | ) | ORDER REQUIRING        |
| Road, Reidsville, North Carolina 27320, for Authority to  | ) | <b>CUSTOMER NOTICE</b> |
| Transfer the Dogwood Acres Subdivision Water System       | ) |                        |
| and Franchise in Rockingham County, North Carolina,       | ) |                        |
| and Approval of Rates                                     | ) |                        |
| • •   | , |                        |

BY THE COMMISSION: On April 16, 2018, Old North State Water Company, LLC (Old North State) and John T. Billingsley, et al. (Billingsley), filed an application seeking authority to transfer to Old North State the Dogwood Acres Subdivision water utility system assets and franchise in Rockingham County, and for approval of rates. As of the date of the application, there were 30 active customers in the Dogwood Acres water system service area.

Old North State and Billingsley have entered into an Asset Purchase Agreement (APA) dated December 29, 2017, under which Old North State is purchasing the water utility system for \$3,000 and for reimbursement of up to \$1,000 of Billingsley's attorney's fees with regard to the sale and transfer of the water system.

The present rates for Dogwood Acres were approved by Commission order issued December 1, 2017, in Docket No. W-632, Sub 6. Old North State proposes to continue to charge the currently approved rates.

The present and proposed rates are as follows:

#### Monthly Metered Water Utility Service

Base charge, zero usage \$ 17.02 Usage charge, per 1,000 gallons \$ 4.80

The average monthly water bill based upon the average residential monthly consumption of 2,500 gallons would be \$29.02 at the applied for rates.

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The North Carolina Division of Health Services issued a plan approval letter for the Dogwood Acres water system under Serial No. 2614, dated December 9, 1983.

This matter was presented at the regular Commission Staff Conference on November 19, 2018. Based on the foregoing, and upon the recommendation of the Public Staff, the Commission is of the opinion that the matter may be determined without public hearing if no significant protests are received subsequent to customer notice.

### IT IS, THEREFORE, ORDERED as follows:

- 1. That the Notice to Customers, attached hereto as Appendix A, be mailed with sufficient postage or hand delivered by Old North State to all affected customers no later than three business days after the date of this Order.
- 2. That Old North State shall submit to the Commission the Certificate of Service attached hereto as Appendix B properly signed and notarized not later than ten days from the date of this Order.

| ISSUED BY ORDER OF | THE COMMISSION.                     |
|--------------------|-------------------------------------|
| This the day of    | , 2018.                             |
|                    | NORTH CAROLINA UTILITIES COMMISSION |
| (SEAL)             | M. Lynn Jarvis, Chief Clerk         |

EXHIBIT NO. P-3 PAGE 3 OF 5

APPENDIX A PAGE 1 OF 2

# STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

#### **NOTICE TO CUSTOMERS**

DOCKET NO. W-1300, SUB 50 DOCKET NO. W-632, SUB 7

Notice is given that Old North State Water Company, LLC (Old North State), 4700 Homewood Court, Suite 108, Raleigh, NC 27609, and John T. Billingsley, et. al. (Billingsley), 149 Penn Road, Reidsville, NC 27320, filed an application with the Commission for authority to transfer to Old North State the Dogwood Acres Subdivision water system and franchise in Rockingham County, and for approval of rates.

The present and proposed rates are as follows:

#### Monthly Metered Water Utility Service

Base charge, zero usage \$ 17.02 Usage charge, per 1,000 gallons \$ 4.80

Monthly bill based on 2,500 gallons \$ 29.02

### PROCEDURE FOR PUBLIC HEARING:

At this point no public hearing has been scheduled. <u>The Commission may decide</u> this matter without a public hearing if no significant protests are received from consumers on or before <u>December 14, 2018</u>. Correspondence concerning this matter, service problems or request for a hearing should be directed to the Public Staff.

The Public Staff is authorized by statute to represent the consumers in proceedings before the Commission. Written statements to the Public Staff should include any information which the writer wishes to be considered by the Public Staff in its investigation of the matter, and such statements should be addressed to Mr. Chris Ayers, Executive Director, Public Staff, 4326 Mail Service Center, Raleigh, North Carolina, 27699-4300. Written statements may also be faxed to (919) 715-6704 or e-mailed to Lindsay Darden at <a href="mailto:lindsay.darden@psncuc.nc.gov">lindsay.darden@psncuc.nc.gov</a>.

EXHIBIT NO. P-3 PAGE 4 OF 5

APPENDIX A PAGE 2 OF 2

The Attorney General is also authorized by statute to represent the consumers in proceedings before the Commission. Statements to the Attorney General should be addressed to The Honorable Josh Stein, Attorney General, 9001 Mail Service Center, Raleigh, North Carolina 27699-9001.

Written statements are not evidence unless those persons submitting the statements appear at a public hearing and testify concerning the information contained in their written statements.

Persons desiring to intervene in the matter as formal parties of record should file a motion under North Carolina Utilities Commission Rules R1-6, R1-7, and R1-19, on or before December 14, 2018. Any such motion should be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300.

A copy of the application and all filings in this matter are available for review by the public at the Office of the Chief Clerk, 430 North Salisbury Street, Raleigh, North Carolina. Upon request, the Chief Clerk will place a copy of the application and prefiled testimony in centrally located public libraries where they may be copied without prohibition. Such requests may be made by writing to the Chief Clerk, North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300, by giving the name and address of the library to which the information is to be mailed. Information regarding this proceeding can also be accessed from the Commission's website at www.ncuc.net.

| This the | day of | , 2018.                      |         |
|----------|--------|------------------------------|---------|
|          |        | NORTH CAROLINA UTILITIES COM | MISSION |
| (SEAL)   |        | M. Lynn Jarvis, Chief Clerk  |         |

EXHIBIT NO. P-3 PAGE 5 OF 5

# APPENDIX B

# CERTIFICATE OF SERVICE

| I,            |            |            |               |               | ,              | mailed with   | sufficient  |
|---------------|------------|------------|---------------|---------------|----------------|---------------|-------------|
| postage or    | hand deli  | ivered to  | all affected  | customers     | the attached   | Notice to C   | ustomers    |
| issued by the | he North   | Carolina I | Jtilities Com | mission in    | Docket No.     | W-1300, Sub   | 50, and     |
| Docket No.    | W-632,     | Sub 7, ar  | nd the Notic  | e was mai     | led or hand    | delivered by  | the date    |
| specified in  | the Orde   | r.         |               |               |                |               |             |
| This          | the        | _day of _  |               |               | _, 2018.       |               |             |
|               |            |            | Ву:           |               |                |               |             |
|               |            |            |               |               | Signa          | ature         |             |
|               |            |            |               |               | Name of Uti    | lity Company  | ,           |
| The           | above      | named      | Applicant,    |               |                |               | ,           |
| personally a  | appeared   | before me  | this day an   | d, being firs | st duly sworn, | says that the | required    |
| Notice to Co  | ustomers   | was maile  | ed or hand d  | elivered to   | all affected o | customers, as | required    |
| by the Com    | ımission ( | Order date | ed            |               | in Docke       | t No. W-1300  | ), Sub 50   |
| and Docket    | No. W-63   | 32, Sub 7. |               |               |                |               |             |
| Witne         | ess my ha  | and and n  | otarial seal, | this the      | day of         |               | _, 2018.    |
|               |            |            |               |               | Notar          | y Public      |             |
|               |            |            |               |               | Printe         | ed Name       |             |
| (SEAL)        | My Con     | nmission   | Expires:      |               | D              | oate          | <del></del> |