

**AQUA NORTH CAROLINA, INC.  
DOCKET NO. W-218, SUB 573  
Public Staff Data Request No. 6  
Date Requested: July 29, 2022  
Date Due: August 8, 2022**

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Please provide responses to this request in an electronic format (e.g., Excel, Word, or PDF files). If in Excel format, please include all working formulas. In addition, please include (1) the name and title of the individual who has the responsibility for the subject matter addressed therein, and (2) the identity of the person making the response by name, occupation, and job title. Please also refer to Public Staff Data Request No. 1 for instructions for responding to this and all other Data Requests served on the Company by the Public Staff in the above-captioned proceeding.

**Topic: Water and Sewer Investment Plan – W-1 Item 28**

Question

3. For each capital investment project cost estimate listed in Form W-1, Item 28, please provide all supporting calculations and assumptions, including, but not limited to, material type, material quantities, labor and engineering cost rates, allocations, inflation, and contingencies.
  - a. If the Company relied on historic spending trends for discrete, standalone capital investments or sub-project level capital activities,

please provide an explanation of how the Company determined the monthly cost estimates and in service dates.

Answer

On August 16, 2022, Tammy Bernard and Michael Melton participated in an on-site meeting with June Chiu, Lynn Feasel and Chuck Junis in which the Company's Water and Sewer Investment Plan was discussed. At this on-site meeting, one of the items discussed and explained was how small dollar / high volume activities, which are necessary to serve customers, are handled for purposes of the Company's budgeting process and how they were estimated for the W-1, Item 28. Per the discussion, the Company explained that the small dollar / high volume activities are estimated using a 3-year historical average. As a follow up to this question, the Public Staff requested the file supporting this shared information. Please find attached excel file "Final TB 23.22 North Carolina Project Plans" calculating the 3-year historical average for the small dollar, but high-volume capital investment projects.

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