

SANFORD LAW OFFICE, PLLC
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January 18, 2019

Ms. M. Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Via Electronic Filing

Re: Aqua North Carolina, Inc.
Docket No. W-218, Sub 497
Decretal Paragraph No. 24 - Proposed Schedule for Compliance

Dear Ms. Jarvis:

On December 18, 2018, the Commission entered an Order Approving Partial Settlement Agreement and Stipulation, Granting Partial Rate Increase, and Requiring Customer Notice (“Sub 497 Rate Case Order”) in response to the General Rate Case Application filed by Aqua North Carolina, Inc. (“Aqua” or “Company”) in Docket No. W-218, Sub 497. Decretal Paragraph No. 24 of the Sub 497 Rate Case Order provides as follows:

24. That Aqua NC shall prepare amendments to its tariffs detailing its connection/capacity fee practices and procedures on a subdivision-by-subdivision basis. Within 30 days following issuance of this Order, Aqua NC shall propose for Commission approval a proposed schedule in which it will include in its tariffs all connection fees included in its rates, as ordered by the ordering paragraph.”

Aqua submits the following information and proposed schedule for preparation of amendments to the tariffs approved by the Commission in Docket No. W-218, Sub 497. To that end, Aqua will conduct a review of contractual agreements for subdivisions throughout the Company’s franchise territory. Currently, Aqua provides water and wastewater service to approximately 1,300 subdivisions in North Carolina. The subdivisions are serviced under contractual agreements between Aqua and developers or, in older established subdivisions, agreements negotiated by predecessor utility

companies acquired by Aqua. Therefore, each subdivision is truly unique with regard to the number of connections which Aqua is obligated to serve through water capacity and wastewater capacity. If there are connection and/or capacity fees, then they are established and set in the individual agreements.

Due to the voluminous number of contracts entered into over the history of the Company and the predecessor companies, Aqua proposes to complete its review and file any proposed, necessary changes to its tariffs on or before Friday, May 17, 2019. In compliance with Decretal Paragraph No. 24 of the Sub 497 Rate Case Order, Aqua will, on or before that date, file for Commission approval a proposed schedule in which the Company will include in its tariffs a listing of any additional or corrected connection and/or capacity fees stated in the contractual agreements which may currently be excluded, absent, or incorrectly stated.

Accordingly, Aqua hereby requests that the Commission approve the proposed compliance schedule as set forth above, thereby allowing the Company until Friday, May 17, 2019, to file the information requested by the Commission in Decretal Paragraph No. 24 of the Sub 497 Rate Case Order; i.e., amendments to the Company's tariffs detailing its connection/capacity fee practices and procedures on a subdivision-by-subdivision basis.

Aqua has contacted all parties of record to inquire whether they oppose this requested compliance schedule. No opposition has been indicated; in the interest of timely filing, we submit this prior to response from all parties.

As always, thank you and your staff for your assistance.

Sincerely,

Electronically Submitted

/s/Jo Anne Sanford

State Bar No. 6831

Attorney for Aqua North Carolina, Inc.

c: Parties of Record (Docket No. W-218, Sub 497)