

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-354, SUB 361
DOCKET NO. W-1046, SUB 5

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of		
Application by Carolina Water Service, Inc. of North Carolina, P.O. Box 240908, Charlotte, North Carolina 28244, for Authority to Acquire the Water and Sewer Utility System in Silverton Subdivision in Cabarrus County, North Carolina from Pace Utilities Group, Inc., 6719-C Fairview Road, Charlotte, North Carolina 28210, and Approval of Rates)	ORDER GRANTING MOTION TO EXCUSE WITNESS AND ADMITTING PREFILED AFFIDAVIT AND EXHIBIT INTO EVIDENCE

BY THE CHAIRMAN: On March 25, 2019, in the above-captioned dockets, the Commission issued an Order Scheduling Hearing and Requiring Customer Notice in which the Commission scheduled a public hearing for May 29, 2019, at 7:00 p.m., in Courtroom #1 of the Cabarrus County Courthouse in Concord, North Carolina.¹ The hearing was scheduled subject to cancellation if no significant protests were received by May 14, 2019.

On March 27, 2019, Carolina Water Service, Inc. of North Carolina (CWSNC) filed its certificate of service indicating that all of the affected customers had been served with notice of its application to acquire the franchise of Pace Utilities Group, Inc. (Pace Utilities) and the hearing.

Several customers of Pace Utilities, within the time specified in the Commission's March 25, 2019 Order, filed protests to the transfer of the franchise from Pace Utilities to CWSNC and the proposed increase in rates and also expressed quality of service concerns.

On May 9, 2019, the Public Staff – North Carolina Utilities Commission (Public Staff) filed the affidavit of Gina Y. Casselberry, Utilities Engineer, Water, Sewer, and Communications Division, and the affidavit and exhibit of Windley E. Henry, Manager, Water, Sewer, and Communications Section, Accounting Division.

On May 24, 2019, CWSNC filed with the Commission a copy of a letter from Catherine E. Heigel, President of CWSNC, to Pace Utilities' customers which, according to the cover letter to the filing, was hand-delivered to customers by CWSNC's field operators on Wednesday, May 22, 2019. The purpose of the letter was to introduce CWSNC to the residents of Silverton Subdivision and to offer information about CWSNC

¹ Said hearing to be heard by Commissioner Hearing Examiner Freda H. Hilburn.

and its services, including the contact information for its Communications Manager, Ms. Deb Clark.

Also on May 24, 2019, Russell S. Woodward, an attorney with Woodward & Woodward, PLLC, filed with the Commission his notice of appearance in these dockets and a letter from Brian Pace, President of Pace Utilities, to the customers in Silverton Subdivision. The purpose of the letter was to provide some additional information concerning the circumstances that resulted in the proposed sale of the systems to CWSNC and to offer an explanation of the planned changes and improvements to the system by CWSNC to improve service and reliability for customers.

Further, on May 24, 2019, the Public Staff filed a Motion for Order Excusing Witness from Hearing (Motion) requesting that the Commission enter an Order excusing Windley E. Henry from attending the May 29, 2019 hearing in Concord, North Carolina and that his affidavit and exhibit be copied into the record and received into evidence. The Public Staff noted that the purpose of witness Henry's affidavit and exhibit was to present the results of his investigation of the levels of net plant in service and acquisition adjustment for ratemaking purposes with respect to the transfer application filed by CWSNC. The Public Staff acknowledged that its request was contingent upon the Commission having no questions for witness Henry. The Public Staff represented that no party to the proceeding objected to its Motion.

Based upon the foregoing, the Chairman finds good cause to grant the Public Staff's Motion. Accordingly, witness Henry is excused from appearing at the May 29, 2019 hearing in Concord, North Carolina and his affidavit and exhibit filed on May 9, 2019, in the above-referenced dockets, shall be admitted into the record as if given orally from the stand.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of May, 2019.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in blue ink, appearing to read "Janice H. Fulmore".

Janice H. Fulmore, Deputy Clerk