From: King, Morella s To: Holt, Gina

Cc: Tharrington, Tom; Grzyb, Julie; Smith, Danny

Subject: DEQ Statement of Support for approval of transfer (Majestic Oaks to Pluris)

Date: Wednesday, February 16, 2022 10:52:04 AM

**Attachments:** Utility Commision- Pluris Acquisition of Majestic Oaks- 02 14 2022 ltr.d...pdf

image006.png

Dear Gina,

Please find enclosed a letter from our office supporting to transfer certain of the assets used by Old North State Water Company to provide wastewater treatment service in several developments served by that WWTP to Pluris Hampstead, LLC.

Please contact me if any questions.

Thank you,

Morella Sanchez King

Morella Sanchez King, PhD, PE

Regional Supervisor, Water Quality Regional Operations Section Wilmington Regional Office: 127 Cardinal Drive Extension; Wilmington, NC 28405

910-796-7218; state cell: 910 530 0079- morella.sanchez-king@ncdenr.gov



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February 14, 2022

Gina C. Holt via email to <a href="mailto:gina.holt@psncuc.nc.gov">gina.holt@psncuc.nc.gov</a>
Staff Attorney
Public Staff- NCUC
4326 Mail Service Center
Raleigh, NC 27699-4326

Re: Old North State Water Company's Majestic Oaks Wastewater Treatment Plant, Pender County and Statement of Support Letter for Approval of Transfer to Pluris Hampstead

Dear Gina,

I am the Regional Supervisor for the Division of Water Resources, Water Quality Regional Operations Section of the North Carolina Department of Environmental Quality ("NCDEQ") in Wilmington, NC. I am writing to you regarding the Old North State Water Company ("ONSWC") wastewater treatment plant ("WWTP") located in the Majestic Oaks development in Pender County. I understand that ONSWC is attempting to transfer certain of the assets used by ONSWC to provide wastewater treatment service in several developments served by that WWTP to Pluris Hampstead, LLC ("Pluris"). The NCDEQ strongly supports approval of this acquisition by Pluris, due to the condition of this aged ONSWC WWTP and its related facilities, including existing disposal ponds onsite, all located within this residential community.

Due to an eminent concern some months ago regarding wastewater seepage noted through the sidewalls of the disposal ponds, a by-pass system was installed as an interim fix, allowing wastewater to be treated by Pluris at its MBR facility in Hampstead, outside the Majestic Oaks residential community. This allowed the ponds to be lowered pending the potential acquisition of the system by Pluris.

This wastewater treatment plant has been the subject of numerous violations and NCDEQ considers this to be a troubled system and a plausible candidate for the proposed transfer. Should the acquisition by Pluris not be completed, ONSWC would have to expand the WWTP to more than double its size within a confined space, creating additional concern.

As the NCDEQ and North Carolina Utilities Commission ("Commission") know, this would not be the first troubled system for which Pluris has resolved environmental and utility regulatory issues.



The acquisition by Pluris is in the public interest and should you have any questions regarding the NCDEQ's support for this transfer, please do not hesitate to contact me to discuss further. I may be reached in the Wilmington office at (910) 796-7218.

Sincerely,

Docusigned by:

Mosella Sanchez King

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Morella Sanchez-King, PhD, PE North Carolina Department of Environmental Quality Regional Supervisor Wilmington Regional Office