



**NORTH CAROLINA  
PUBLIC STAFF  
UTILITIES COMMISSION**

June 29, 2020

Ms. Kimberley A. Campbell, Chief Clerk  
North Carolina Utilities Commission  
4326 Mail Service Center  
Raleigh, North Carolina 27699-4300

Re: Docket Nos. W-1324, Sub 0 and W-406, Sub 6 - Application of Springdale Golf Partners, LLC, d/b/a Springdale Water & Sewer, LLC, for Transfer of Public Utility Franchise and for Approval of Rates

Dear Ms. Campbell:

On March 18, 2020, the Public Staff filed the public testimony and exhibits of D. Michael Franklin in the above-captioned docket.

Since that time, Mr. Franklin has made corrections to his testimony with respect to the impact the Public Staff's recommended rates will have on the average monthly metered water bill and the average monthly metered water and sewer bill. Those corrections are on page 15 of his testimony, and do not impact the Public Staff's recommendations in this case.

The Public Staff apologizes for this error and for any inconvenience or confusion it may have caused the Commission or the parties.

Attached is the corrected, redlined version of page 15 of the public testimony of D. Michael Franklin.

By copy of this letter, we are providing copies to all other parties of record by electronic delivery.

Sincerely,

/s/ Nadia L. Luhr  
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1 The Public Staff's recommended rates result in an average monthly  
2 metered water bill of ~~\$23.04~~\$23.05 and average monthly metered  
3 water and sewer bill of ~~\$53.04~~\$53.08. The rate design is provided as  
4 Franklin Exhibit 3.

5 Springdale proposed an increase in its connection charges from \$350  
6 to \$1,000 for a water tap to existing mains and from \$950 to \$1,250 for  
7 a sewer tap to existing mains. Springdale could not provide sufficient  
8 justification for the increase in these charges. As a result, the Public  
9 Staff is recommending no changes to the connection charges.

10 **Q. WHAT IS THE BOND AMOUNT RECOMMENDED FOR THE**  
11 **WATER AND WASTEWATER SYSTEMS?**

12 A. The Public Staff recommends a bond of \$25,000 for the water system.  
13 The system has adequate capacity and water storage, appears to be in  
14 good condition, and the current certified operator has a long history  
15 operating the system. The new owner, Springdale, plans to make  
16 upgrades to the system to facilitate better operation and water quality.  
17 No near term expansion of the system should be necessary. The  
18 \$25,000 would cover a large part of replacement of a water storage tank  
19 or be adequate to cover a significant equipment repair/replacement.

20 The Public Staff recommends a bond of \$25,000 for the wastewater  
21 system. The system has more than adequate capacity with multiple  
22 trains, and the current certified operator has a long history operating