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March 8, 2021

Kimberly A. Campbell Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, NC 27699-4325

Re: Application to Increase Connection Fees Docket No. W-1300, Sub 71

Dear Ms. Campbell:

Please accept for filing the attached Motion to Increase Connection Fees in the Matter of Application of Old North State Water Company, LLC to increase connection fees for the Briar Chapel Subdivision in Chatham County North Carolina. Submitted as an item of support for this application is an estimated cost for expansion of the Briar Chapel wastewater treatment plant. We respectfully request that this document, which is labeled Confidential Exhibit A, be accepted as a confidential exhibit to the application.

Thank you for your attention to this matter.

Sincerely,

/s/ Edward S. Finley, Jr.

Edward S. Finley, Jr. Atty. For Old North State Water Company, LLC

<u> Mar 08 2021</u>

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1300, SUB 71

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Application of Old North State Water Company, LLC to Increase Connection Fees for the Briar Chapel Subdivision in Chatham County, North Carolina

MOTION TO INCREASE CONNECTION FEES

NOW COMES Old North State Water Company, LLC ("ONSWC"), by and through counsel, and respectfully submits this Motion to Increase Connection Fees in the Briar Chapel Subdivision service area which includes the Herndon Woods Subdivision (collectively, "Briar Chapel Subdivision") in Chatham County, North Carolina to the North Carolina Utilities Commission ("Commission") in the above-referenced docket. In support of this Motion, ONSWC submits the following:

ONSWC requests that the currently approved connection fees of \$1,500
per residential equivalent unit ("REU") for the Briar Chapel Subdivision be increased to
\$4,000 per REU.

2. The currently approved connection fees of \$1,500 per REU have been in place for over twenty years. Specifically, in the Commission's December 8, 2009 *Order Granting Franchise, Approving Stipulation, Approving Rates, and Requiring Customer Notice* in Docket No. W-1230, Sub 0, the Commission approved connection fees of \$1,500 per REU to Briar Chapel Utilities, LLC ("Briar Chapel Utilities"), ONSWC's

predecessor-in-interest.¹ Connection fees for the Briar Chapel Subdivision have not been increased since December 8, 2009.

3. The current number of service taps in use in the Briar Chapel Subdivision is 2,237 four-inch taps.

4. The Briar Chapel Subdivision currently has 2,119 residential customers and 21 commercial customers.

5. The Briar Chapel Subdivision has not yet been built out and is continuing to be constructed. For the build-out of the Briar Chapel Subdivision, there will be approximately 414 additional commercial REUs and 180 new residential connections.²

6. In order to accommodate the build-out of the Briar Chapel Subdivision,

ONSWC must increase the capacity of the existing Briar Chapel wastewater treatment

plant from 250,000 gallons per day ("GPD") to 500,000 GPD. The expansion of the

Briar Chapel wastewater treatment plant is anticipated to be complete in December, 2021.

7. The estimated cost for the expansion of the Briar Chapel wastewater

treatment plant to 500,000 GPD is provided in the attached Confidential Exhibit A.

¹ On April 20, 2015, the Commission issued its *Order Approving Transfer, Granting Franchise, Approving Rates, and Requiring Customer Notice* that became final on April 20, 2015 in Docket Nos. W-1300, Sub 9 and W-1230, Sub 1. In that Order, the Commission approved the transfer of the sewer franchise in the Briar Chapel Subdivision from Briar Chapel Utilities to ONSWC. The connection fee at the time of the transfer was \$1,500 per REU (the same amount of connection fee approved for Briar Chapel Utilities on December 8, 2009).

² To be clear, the build-out of the Briar Chapel Subdivision of approximately 414 additional commercial REUs and 180 new residential connections is for the Briar Chapel Subdivision and <u>not</u> for any developments outside of the Briar Chapel Subdivision, with the exception of the Firmage property. The Firmage property is a 20-acre tract owned by NNP-Briar Chapel, LLC on which NNP is developing a 15-lot conservation subdivision.

The estimated cost per gallon to increase the capacity of the Briar Chapel wastewater treatment plant is \$13.90.

WHEREFORE, ONSWC respectfully requests that the Commission issue an Order increasing the connection fees in the Briar Chapel Subdivision from \$1,500 per REU to \$4,000 per REU.

Respectfully submitted this <u>8</u> day of March, 2021.

/s/ Edward S. Finley, Jr. Edward S. Finley, Jr., PLLC 2024 White Oak Rd. Raleigh, NC 27608 (919) 418-4516 edfinley98@aol.com *Attorney for Old North State Water Company, LLC*

COUNTY OF Jefferson

STATE OF ALABAMA

VERIFICATION

I, John McDonald, _______ KI Old North State Water Company, LLC, verify that I

have read the foregoing Motion to Increase Connection Fees, and know the contents

thereof to be true and accurate according to my information and belief.

Old North State Water Company, LLC

By: John McDonald

John MeDonald

SWORN TO AND SUBSCRIBED Before me this \mathcal{O}^{the} day of March, 2021.

Notary Public

My Commission Expires: $5|\psi|^24$

