

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

**STAFF CONFERENCE AGENDA
MARCH 11, 2019**

COMMISSION STAFF

NO AGENDA ITEMS

PUBLIC STAFF

E. WATER

- P1. DOCKET NO. W-218, SUB 480 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On December 14, 2017, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Norwood Place Subdivision, which is contiguous to Aqua's Woodvalley service area, part of the Bayleaf Master System, in Wake County, North Carolina. Aqua filed an amendment to the Notification on January 25, 2019. Aqua proposes to charge the rates currently approved for the Bayleaf Master System service area. The service area is shown on plans filed with the notification.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Norwood Place Subdivision. The plans are approved under serial number 17-00263R1, dated August 30, 2017.

Aqua has entered into an Agreement dated November 1, 2017, with Goldmark Construction Group, LLC (Developer), under which Developer is installing the water distribution system. In lieu of providing sufficient water production, Developer will pay Aqua a sum of \$24,000 to reserve water capacity. Aqua is requesting a meter installation fee of \$70 and a connection fee of \$1,333 per single family residential equivalent (SFRE) for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system from Developer for \$700 per single family residential equivalent (SFRE), payable quarterly based upon the number of water service meters installed during the previous quarter.

The Public Staff has reviewed the Agreement and recommends that the Commission not approve the Agreement as the Developer is not providing additional new well water capacity for the Bayleaf Master System, which has a history of marginally adequate well

water capacity during extended periods of high demand that are typically caused by heavy lawn and shrub irrigation. The Public Staff has discussed these concerns with Aqua and Aqua has since discontinued allowing developers to pay a cash CIAC payment to reserve capacity on the Bayleaf Master System instead of providing actual new well water capacity. The Public Staff recommends that the Commission recognize this contiguous extension. The Public Staff recommends that the Commission require Aqua to file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide water utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension in Norwood Place Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes enough unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-1.

RECOMMENDATION: (Junis/Henry/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and not approving the Agreement.

P2. DOCKET NO. W-218, SUB 482 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On November 9, 2017, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water and wastewater utility service in Ross Landing (f/k/a East School Road) Subdivision, which is contiguous to Aqua's Whitfield at Flowers Plantation service area, part of the Flowers Plantation Master System, in Johnston County, North Carolina. Aqua filed an amendment to the Notification on August 17, 2018. The service area is shown on plans filed with the Notification.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Ross Landing Subdivision. The plans are approved under serial number 17-00992, dated November 21, 2017.

DWR has issued permit number WQ0039643, dated November 28, 2017, for the construction and operation of Ross Landing Subdivision, wastewater collection system extension.

Aqua has entered into an Agreement dated August 7, 2018, with DRSFA, LLC (Developer), under which Developer is installing the water utility distribution system and wastewater utility collection system. Developer will pay to Aqua as a contribution in aid of construction (CIAC) the water capital cost recovery charge due to Johnston County. The Agreement states that the current water CIAC fee is \$3.90 per gallon. Aqua is requesting a meter installation fee of \$70 for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system from Developer for \$400 per single-family residential equivalent (SFRE), payable quarterly based upon the number of water service meters installed during the previous quarter. Developer will pay to Aqua a cash CIAC fee, currently \$9.47 per gallon, based upon permitted flows and is the same dollar amount Aqua paid for the cost of design, engineering, and construction of the last wastewater treatment plant expansion, including regulatory mandated upgrades to the wastewater treatment process. Aqua is acquiring the wastewater system from Developer at no cost. The Public Staff has reviewed the Agreement and does not object to the terms as written. The Public Staff recommends that the Commission require Aqua to file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide water and sewer utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$20,000 bond for the contiguous extension in Ross Landing Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes enough unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-2.

RECOMMENDATION: (Junis/Henry/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and approving the Agreement.

P3. DOCKET NO. W-218, SUB 494 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On February 1, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Moorlands Reserve Subdivision, which is contiguous to Aqua's Moorlands service area, part of the Bayleaf Master System, in Wake County, North Carolina. Aqua proposes to charge the rates currently approved for the Bayleaf Master System service area. The service area is shown on plans filed with the Notification.

Aqua has entered into an Agreement dated January 18, 2017, with Ponderosa Group, LLC (Developer), under which Developer is installing the water distribution system connection. In lieu of providing sufficient water production, Developer will pay Aqua a sum of \$24,000 to reserve water capacity. Aqua is requesting a meter installation fee of \$70 and a connection fee of \$1,333 per single family residential equivalent (SFRE) for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is acquiring the water distribution system connection from the Developer at no cost.

The Public Staff has reviewed the Agreement and recommends that the Commission not approve the Agreement as the Developer is not providing additional new well water capacity for the Bayleaf Master System, which has a history of marginally adequate well water capacity during extended periods of high demand that are typically caused by heavy lawn and shrub irrigation. The Public Staff has discussed these concerns with Aqua and Aqua has since discontinued allowing developers to pay a cash CIAC payment to reserve capacity on the Bayleaf Master System instead of providing actual new well water capacity. The Public Staff recommends that the Commission recognize this contiguous extension. The Public Staff recommends that the Commission require Aqua to file all future amendments to the Agreement within 15 days after signing said amendments.

Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide water utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension in Moorlands Ext Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes enough unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-3.

RECOMMENDATION: (Junis/Henry/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and not approving the Agreement.

P4. DOCKET NO. W-218, SUB 500 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On March 15, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in The Village at Motts Landing, Phase 2D, Subdivision, which is contiguous to Aqua's The Village at Motts Landing, Phase 2C, service area, part of The Cape Master System, in New Hanover County, North Carolina. Aqua proposes to charge the rates currently approved for The Cape Master System service area. The service area is shown on plans filed with the Notification.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for The Village at Motts Landing, Phase 2D, Subdivision. The plans are approved under serial number 18-00004, dated January 29, 2018.

Aqua has entered into an Agreement dated April 29, 2005 and amended in December 2010, with Aftew Properties, LLC (Developer), under which Developer is installing the water distribution system extension, the interconnection, and storage. Aqua is requesting a meter installation fee of \$70 and a water connection fee of \$1,000 per single-family residential equivalent (SFRE), to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system for \$860 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter.

The Public Staff has reviewed the Agreement and recommends that the Commission not approve the Agreement. The Developer is only responsible pursuant to paragraph 2 of the Agreement to provide two well lots and two test wells to provide estimated yield of one gallon per minute per connection. Aqua is responsible for the capital costs of well drilling, required 24-hour well drawdown tests, water quality testing, and well house construction of the two wells and placing the wells in service. The Public Staff believes the Agreement places excessive costs upon Aqua when also considering the purchase price of \$860 per lot stated in the Agreement. The Public Staff recommends that the Commission recognize the contiguous extension. The Public Staff recommends that the Commission require Aqua to file all future amendments to the Agreement within 15 days after signing said amendments.

Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide water utility service in this contiguous area

and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension in The Village at Motts Landing, Phase 2D, Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes enough unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-4.

RECOMMENDATION: (Junis/Henry/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and not approving the Agreement.

P5. DOCKET NO. W-218, SUB 506 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On August 17, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Meadows at Banks Subdivision, which is contiguous to Aqua's Banks Point, Phase 1, service area, part of the Kensington Meadows Water System, in Wake County, North Carolina. Aqua filed amendments to the Notification on January 25, 2019 and February 15, 2019. Aqua proposes to charge the rates currently approved for its other franchised service areas. The service area is shown on plans filed with the Notification.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Meadows at Banks Subdivision. The plans are approved under serial number 18-00438, dated July 13, 2018.

Aqua has entered into an Agreement dated June 8, 2018, with AB Perry Construction, Inc. (Developer), under which Developer is installing the water utility system. Aqua is to pay the Developer \$1,200 per well towards costs associated with well testing. Aqua is purchasing the water system from Developer for \$700 per single-family residential equivalent (SFRE) with no connection fee, payable quarterly based upon the number of water service meters installed during the previous quarter. The Public Staff has reviewed the Agreement and does not object to the terms as written. The Public Staff recommends that the Commission require Aqua to file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide water utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension in Meadows at Banks Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes enough unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-5.

RECOMMENDATION: (Junis/Morgan/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and approving the Agreement.

P6. DOCKET NO. W-218, SUB 510 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On October 2, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Banks Point, Phase 5, Subdivision, which is contiguous to Aqua's Banks Point, Phase 4, service area, part of the Kensington Meadows Water System, in Wake County, North Carolina. Aqua proposes to charge the rates currently approved for its other franchised service areas. The service area is shown on plans filed with the Notification.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Banks Point, Phase 5, Subdivision. The plans are approved under serial number 18-00759, dated September 13, 2018.

Aqua has entered into an Agreement dated March 6, 2017, with HHHunt Banks Point, LLC (Developer), under which Developer is installing the water utility system. Aqua is to pay the Developer \$1,200 per well towards costs associated with well testing. Aqua is purchasing the water system from Developer for \$700 per single-family residential equivalent (SFRE) with no connection fee, payable quarterly based upon the number of water service meters installed during the previous quarter. The Public Staff has reviewed the Agreement and does not object to the terms as written. The Public Staff recommends that the Commission require Aqua to file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide water utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension in Banks Point, Phase 5, Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes enough unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-6.

RECOMMENDATION: (Junis/Morgan/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and approving the Agreement.

P7. DOCKET NO. W-218, SUB 511 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On January 9, 2019, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Papillon Park, Phase 2, Subdivision, which is contiguous to Aqua's Papillon Park, Phase 1, service area, part of the Parker Falls Water System, in Wake County, North Carolina. Aqua filed an amendment to the notification on January 25, 2019. Aqua proposes to charge the rates currently approved for its other franchised service areas. The service area is shown on plans filed with the Notification.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Papillon Park, Phase 2, Subdivision. The plans are approved under serial number 18-00670, dated September 27, 2018.

Aqua has entered into an Agreement dated June 11, 2018, with Marquis Homes & Company (Developer), under which Developer is installing the water utility system. Aqua is to pay the Developer \$1,200 per well towards costs associated with well testing. Aqua is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family residential equivalent (SFRE) for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system from Developer for \$1,200 per single-family residential equivalent (SFRE), payable quarterly based upon the number of water service meters installed during the previous quarter. The Public Staff has reviewed the Agreement and does not object to the terms as written. The Public Staff recommends that the Commission require Aqua to file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide water utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension in Papillon Park, Phase 2, Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes enough unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-7.

RECOMMENDATION: (Junis/Morgan/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and approving the Agreement.

P8. DOCKET NO. W-218, SUB 513 – AQUA NORTH CAROLINA, INC. – NOTIFICATION OF INTENTION TO BEGIN OPERATIONS IN CONTIGUOUS SERVICE AREA

EXPLANATION: On December 21, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in The Reserve at Falls Lake, Phases 2 and 3, Subdivision, which is contiguous to Aqua's The Reserve at Falls Lake, Phase 1, service area, part of the Bayleaf Master System, in Wake County, North Carolina. Aqua proposes to charge the rates currently approved for the Bayleaf Master System service area. The service area is shown on plans filed with the Notification.

The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for The Reserve at Falls Lake, Phases 2 and 3, Subdivision. The plans are approved under serial number 17-01055, dated March 21, 2018, and for The Reserve at Falls Lake Well No. 3 serial number 17-00267 dated May 5, 2017.

Aqua has entered into a Water Utility System Agreement dated August 26, 2014, with MBA Land Group, LLC (Developer), under which Developer is installing the water utility system, including the construction of Stanton Woods Well No. 3 and The Reserve at Falls Lake Well No. 3, distribution extension, and interconnection. Aqua is requesting a meter installation fee of \$70 and a connection fee of \$500 per single-family residential equivalent (SFRE) for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system for \$1,000 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter. In addition, Aqua is paying Developer up to \$1,200 towards costs associated with the new well's analytical testing. There is a 4,000 foot main extension for this contiguous extension. The Developer will pay \$85,000 for the cost of 8-inch water main and Aqua will pay the added cost to upgrade the water main to 12-inch for this 4,000 foot extension.

The Developer has provided well production capacity of 65 gallons per minute but is 23 gallons per minute short of the Agreement required 88 gallons per minute for the 75 lots in the Agreement. The Agreement provides the Developer will pay CIAC of \$4,000 per gallon totaling \$92,000 to reserve water capacity for the 23 gallon per minute deficiency.

The Public Staff has reviewed the Agreement and recommends that the Commission not approve the Agreement as the Developer is not providing all the necessary new water well capacity for these 75 lots on the Bayleaf Master System, which has a history of marginally adequate well water capacity during extended periods of high demand that are typically caused by heavy lawn and shrub irrigation. The Public Staff has discussed these concerns with Aqua and Aqua has since discontinued allowing developers to pay cash CIAC payment to reserve capacity on the Bayleaf Master System instead of providing actual new well water capacity. The Public Staff recommends the Commission recognize this contiguous extension. The Public Staff recommends that the Commission require

Aqua to file all future amendments to the Agreement within 15 days after signing said amendments.

Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua's record of service is satisfactory.

Aqua has filed all exhibits required with the Notification.

Based on the foregoing, the Public Staff is of the opinion that Aqua has the technical, managerial, and financial capacity to provide water utility service in this contiguous area and recommends that the contiguous extension be recognized. The Public Staff further recommends that the Commission require posting of a \$10,000 bond for the contiguous extension in The Reserve at Falls Lake, Phases 2 and 3, Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission, which includes enough unassigned funds to provide the bond recommended in this docket.

EXHIBIT: A proposed order is attached as Exhibit No. P-8.

RECOMMENDATION: (Junis/Morgan/Grantmyre) That the Commission issue the proposed order recognizing the contiguous extension and not approving the Agreement.

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 480

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202)	
MacKenan Court, Cary, North Carolina 27511,)	ORDER RECOGNIZING
of Intention to Begin Operations in an Area)	CONTIGUOUS EXTENSION
Contiguous to a Present Service Area to)	AND APPROVING RATES
Provide Water Utility Service in Norwood Place)	
Subdivision in Wake County, North Carolina)	

BY THE COMMISSION: On December 14, 2017, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Norwood Place Subdivision, which is contiguous to Aqua’s Woodvalley service area, part of the Bayleaf Master System, in Wake County, North Carolina. Aqua filed an amendment to the Notification on January 25, 2019. Aqua proposes to charge the rates currently approved for the Bayleaf Master System service area.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on March 11, 2019.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua’s record of service is satisfactory.
2. Aqua expects eventually to serve 6 water customers in Norwood Place Subdivision. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Norwood Place Subdivision. The plans are approved under serial number 17-00263R1, dated August 30, 2017.

4. Aqua has entered into an Agreement dated November 1, 2017, with Goldmark Construction Group, LLC (Developer), under which Developer is installing the water distribution system. In lieu of providing sufficient water production, Developer will pay Aqua a sum of \$24,000 to reserve water capacity. Aqua is requesting a meter installation fee of \$70 and a connection fee of \$1,333 per single family residential equivalent (SFRE) for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system from Developer for \$700 per single family residential equivalent (SFRE), payable quarterly based upon the number of water service meters installed during the previous quarter. The Public Staff reviewed the Agreement and recommended that the Commission not approve the Agreement as the Developer is not providing new well water capacity for the Bayleaf Master System, which the Public Staff stated has historically had marginally adequate well water capacity during extended periods of high demand that are typically caused by heavy lawn and shrub irrigation. The Public Staff has discussed these concerns with Aqua and Aqua has since discontinued allowing developers to pay a cash CIAC payment to reserve capacity on the Bayleaf Master System instead of providing actual new well water capacity. The Public Staff recommended that the Commission recognize this contiguous extension and require Aqua to file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

5. Aqua has filed all exhibits required with the Notification.

6. Aqua has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Aqua be required to post a \$10,000 bond for Norwood Place Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,150,000 of bond surety is assigned to specific subdivisions, and \$850,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, the Commission is of the opinion that \$10,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in Norwood

Place Subdivision should be recognized; that the meter installation fee and connection fee for water utility service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That Aqua file and request Commission approval of all future amendments to the Agreement within 15 days after signing said amendments.
2. That \$10,000 of Aqua's unassigned surety bond is assigned to the Norwood Place Subdivision. The remaining unassigned bond surety shall be \$760,000 (a total of \$90,000 is being assigned concurrently in Docket Nos. W-218, Subs 480, 482, 494, 500, 506, 510, 511, and 513).
3. That the contiguous extension of water utility service from the Woodvalley service area into Norwood Place Subdivision in Wake County, North Carolina, is recognized as meeting the Commission's criteria for the extension.
4. That Appendix A-__ constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.
5. That Aqua's existing Schedule of Rates approved by Commission Order issued on December 18, 2018, in Docket No. W-218, Sub 497, is approved for utility service in the Norwood Place Subdivision.
6. That a meter installation fee of \$70 and a connection fee of \$1,333 per SFRE for water service are approved for Norwood Place Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 480

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Norwood Place Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 482

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202)	
MacKenan Court, Cary, North Carolina 27511,)	
of Intention to Begin Operations in an Area)	ORDER RECOGNIZING
Contiguous to a Present Service Area to)	CONTIGUOUS EXTENSION
Provide Water and Sewer Utility Service in Ross)	AND APPROVING RATES
Landing Subdivision in Johnston County, North)	
Carolina)	

BY THE COMMISSION: On November 9, 2017, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water and wastewater utility service in Ross Landing (f/k/a East School Road) Subdivision, which is contiguous to Aqua’s Whitfield at Flowers Plantation service area, part of the Flowers Plantation Master System, in Johnston County, North Carolina. Aqua filed an amendment to the Notification on August 17, 2018. Aqua proposes to charge the rates currently approved for the Flowers Plantation Master System service area.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on March 11, 2019.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua’s record of service is satisfactory.

2. Aqua expects eventually to serve 225 water and sewer customers in Ross Landing Subdivision. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Ross Landing Subdivision. The plans are approved under serial number 17-00992, dated November 21, 2017.

4. DWR has issued permit number WQ0039643, dated November 28, 2017, for the construction and operation of Ross Landing Subdivision, wastewater collection system extension.

5. Aqua has entered into an Agreement dated August 7, 2018, with DRSFA, LLC (Developer), under which Developer is installing the water utility distribution system and wastewater utility collection system. Developer will pay to Aqua as a contribution in aid of construction (CIAC) the water capital cost recovery charge due to Johnston County. The Agreement states that the current water CIAC fee is \$3.90 per gallon. Aqua is requesting a meter installation fee of \$70 for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system from Developer for \$400 per single-family residential equivalent (SFRE), payable quarterly based upon the number of water service meters installed during the previous quarter. Developer will pay to Aqua a cash CIAC fee, currently \$9.47 per gallon, based upon permitted flows and is the same dollar amount Aqua paid for the cost of design, engineering, and construction of the last wastewater treatment plant expansion, including regulatory mandated upgrades to the wastewater treatment process. Aqua is acquiring the wastewater system from Developer at no cost. The Public Staff has reviewed the Agreement and recommended that it be approved as written.

6. Aqua has filed all exhibits required with the Notification.

7. Aqua has the technical, managerial, and financial capacity to provide water and sewer utility service in this franchise location.

8. The Public Staff has recommended that Aqua be required to post a \$20,000 bond for Ross Landing Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,150,000 of bond surety is assigned to specific subdivisions, and \$850,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, The Commission is of the opinion that \$20,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in Ross

Landing Subdivision should be recognized; that the meter installation fee and CIAC fees for water and wastewater utility service; that the Agreement should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That the Agreement between Aqua and DRSFA, LLC, dated August 7, 2018, is hereby approved as written. Aqua shall file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

2. That \$20,000 of Aqua's unassigned surety bond is assigned to the Ross Landing Subdivision. The remaining unassigned bond surety shall be \$760,000 (a total of \$90,000 is being assigned concurrently in Docket Nos. W-218, Subs 480, 482, 494, 500, 506, 510, 511, and 513).

3. That the contiguous extension of water and wastewater utility service from the Whitfield at Flowers Plantation service area into Ross Landing Subdivision in Johnston County, North Carolina, is recognized as meeting the Commission's criteria for the extension.

4. That Appendix A-__ constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.

5. That Aqua's existing Schedule of Rates approved by Commission Order issued on December 18, 2018, in Docket No. W-218, Sub 497, is approved for utility service in the Ross Landing Subdivision.

6. That a meter installation fee of \$70 and a CIAC fee of \$3.90 per gallon for water service are approved for Ross Landing Subdivision.

7. That a CIAC fee of \$9.47 per gallon for wastewater utility service is approved for Ross Landing Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 482

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water and sewer utility service

in

Ross Landing Subdivision

Johnston County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 494

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202)	
MacKenan Court, Cary, North Carolina 27511,)	
of Intention to Begin Operations in an Area)	ORDER RECOGNIZING
Contiguous to a Present Service Area to)	CONTIGUOUS EXTENSION
Provide Water Utility Service in Moorlands)	AND APPROVING RATES
Reserve Subdivision in Wake County, North)	
Carolina)	

BY THE COMMISSION: On February 1, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Moorlands Reserve Subdivision, which is contiguous to Aqua’s Moorlands service area, part of the Bayleaf Master System, in Wake County, North Carolina. Aqua proposes to charge the rates currently approved for the Bayleaf Master System service area.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on March 11, 2019.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua’s record of service is satisfactory.
2. Aqua expects eventually to serve 6 water customers in Moorlands Reserve Subdivision. The service area is shown on plans filed with the Notification.
3. Aqua has entered into an Agreement dated January 18, 2017, with Ponderosa Group, LLC (Developer), under which Developer is installing the water

distribution system connection. In lieu of providing sufficient water production, Developer will pay Aqua a sum of \$24,000 to reserve water capacity. Aqua is requesting a meter installation fee of \$70 and a connection fee of \$1,333 per single family residential equivalent (SFRE) for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is acquiring the water system from the Developer at no cost. The Public Staff reviewed the Agreement and recommended that the Commission not approve the Agreement as the Developer is not providing additional new well water capacity for the Bayleaf Master System, which the Public Staff stated has a history of marginally adequate well water capacity during extended periods of high demand that are typically caused by heavy lawn and shrub irrigation. The Public Staff has discussed these concerns with Aqua and Aqua has since discontinued allowing developers to pay a cash CIAC payment to reserve capacity on the Bayleaf Master System instead of providing actual new well water capacity. The Public Staff recommended that the Commission recognize this contiguous extension and require Aqua to file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

5. Aqua has filed all exhibits required with the Notification.

6. Aqua has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Aqua be required to post a \$10,000 bond for Moorlands Reserve Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,150,000 of bond surety is assigned to specific subdivisions, and \$850,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, The Commission is of the opinion that \$10,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in Moorlands Reserve Subdivision should be recognized; that the meter installation fee and connection fee for water utility service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That Aqua file and request Commission approval of all future amendments to the Agreement within 15 days after signing said amendments.

2. That \$10,000 of Aqua's unassigned surety bond is assigned to the Moorlands Reserve Subdivision. The remaining unassigned bond surety shall be \$760,000 (a total of \$90,000 is being assigned concurrently in Docket Nos. W-218, Subs 480, 482, 494, 500, 506, 510, 511, and 513).

3. That the contiguous extension of water utility service from the Moorlands service area into Moorlands Reserve Subdivision in Wake County, North Carolina, is recognized as meeting the Commission's criteria for the extension.

4. That Appendix A-__ constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.

5. That Aqua's existing Schedule of Rates approved by Commission Order issued on December 18, 2018, in Docket No. W-218, Sub 497, is approved for utility service in the Moorlands Reserve Subdivision.

6. That a meter installation fee of \$70 and a connection fee of \$1,333 per SFRE for water service are approved for Moorlands Reserve Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 494

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Moorlands Reserve Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 500

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202)	
MacKenan Court, Cary, North Carolina 27511,)	
of Intention to Begin Operations in an Area)	ORDER RECOGNIZING
Contiguous to a Present Service Area to)	CONTIGUOUS EXTENSION
Provide Water Utility Service in The Village at)	AND APPROVING RATES
Motts Landing, Phase 2D, Subdivision in New)	
Hanover County, North Carolina)	

BY THE COMMISSION: On March 15, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in in The Village at Motts Landing, Phase 2D, Subdivision, which is contiguous to Aqua’s The Village at Motts Landing, Phase 2C, service area, part of The Cape Master System, in New Hanover County, North Carolina. Aqua proposes to charge the rates currently approved for The Cape Master System service area.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on March 11, 2019.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua’s record of service is satisfactory.

2. Aqua expects eventually to serve 4 water customers in The Village at Motts Landing, Phase 2D, Subdivision. The service area is shown on plans filed with the notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for The Village at Motts Landing, Phase 2D, Subdivision. The plans are approved under serial number 18-00004, dated January 29, 2018.

4. Aqua has entered into an Agreement dated April 29, 2005 and amended in December 2010, with Aftew Properties, LLC (Developer), under which Developer is installing the water distribution system extension, interconnection, and storage. Aqua is requesting a meter installation fee of \$70 and a water connection fee of \$1,000 per single-family residential equivalent (SFRE), to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system for \$860 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter. The Public Staff has reviewed the Agreement and recommended that the Commission not approve the Agreement. The Developer is only responsible pursuant to paragraph 2 of the Agreement to provide two well lots and two test wells to provide estimated yield of one gallon per minute per connection. Aqua is responsible for the capital costs of well drilling, required 24-hour well drawdown tests, water quality testing, and well house construction of the two wells and placing the wells in service. The Public Staff believes the Agreement places excessive costs upon Aqua when also considering the \$860 purchase price per lot stated in the Agreement. The Public Staff recommended that the Commission recognize the contiguous extension. The Public Staff recommended that Commission require Aqua to file all future amendments to the Agreement within 15 days after signing said amendments.

5. Aqua has filed all exhibits required with the Notification.

6. Aqua has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Aqua be required to post a \$10,000 bond for The Village at Motts Landing, Phase 2D, Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,150,000 of bond surety is assigned to specific subdivisions, and \$850,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, The Commission is of the opinion that \$10,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in The Village at Motts Landing, Phase 2D, Subdivision should be recognized; that the meter installation fee and connection fee for water utility service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That Aqua file and request Commission approval of all future amendments to the Agreement within 15 days after signing said amendments.
2. That \$10,000 of Aqua's unassigned surety bond is assigned to The Village at Motts Landing, Phase 2D, Subdivision. The remaining unassigned bond surety shall be \$760,000 (a total of \$90,000 is being assigned concurrently in Docket Nos. W-218, Subs 480, 482, 494, 500, 506, 510, 511, and 513).
3. That the contiguous extension of water utility service from the The Village at Motts Landing, Phase 2C, service area into The Village at Motts Landing, Phase 2D, Subdivision in New Hanover County, North Carolina, is recognized as meeting the Commission's criteria for the extension.
4. That Appendix A-__ constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.
5. That Aqua's existing Schedule of Rates approved by Commission Order issued on December 18, 2018, in Docket No. W-218, Sub 497, is approved for utility service in the The Village at Motts Landing, Phase 2D, Subdivision.
6. That a meter installation fee of \$70 and a connection fee of \$1,000 per SFRE for water service are approved for The Village at Motts Landing, Phase 2D, Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 500

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

The Village at Motts Landing, Phase 2D, Subdivision

New Hanover County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 506

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202)	
MacKenan Court, Cary, North Carolina 27511,)	
of Intention to Begin Operations in an Area)	ORDER RECOGNIZING
Contiguous to a Present Service Area to)	CONTIGUOUS EXTENSION
Provide Water Utility Service in Meadows at)	AND APPROVING RATES
Banks Subdivision in Wake County, North)	
Carolina)	

BY THE COMMISSION: On August 17, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Meadows at Banks Subdivision, which is contiguous to Aqua’s Banks Point, Phase 1, service area, part of the Kensington Meadows Water System, in Wake County, North Carolina. Aqua filed amendments to the Notification on January 25, 2019 and February 15, 2019. Aqua proposes to charge the rates currently approved for its other franchised service areas.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on March 11, 2019.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua’s record of service is satisfactory.
2. Aqua expects eventually to serve 23 water customers in Meadows at Banks Subdivision. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Meadows at Banks Subdivision. The plans are approved under serial number 18-00438, dated July 13, 2018.

4. Aqua has entered into an Agreement dated June 8, 2018, with AB Perry Construction, Inc. (Developer), under which Developer is installing the water utility system. Aqua is to pay the Developer \$1,200 per well towards costs associated with well testing. Aqua is purchasing the water system from Developer for \$700 per single-family residential equivalent (SFRE) with no connection fee, payable quarterly based upon the number of water service meters installed during the previous quarter. The Public Staff has reviewed the Agreement and recommended that it be approved as written.

5. Aqua has filed all exhibits required with the Notification.

6. Aqua has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Aqua be required to post a \$10,000 bond for Meadows at Banks Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,150,000 of bond surety is assigned to specific subdivisions, and \$850,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, The Commission is of the opinion that \$10,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in Meadows at Banks Subdivision should be recognized; that the \$70 meter installation fee for water utility service should be approved; that the Agreement should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That the Agreement between Aqua and AB Perry Construction, Inc., dated June 8, 2018, is hereby approved as written. Aqua shall file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

2. That \$10,000 of Aqua's unassigned surety bond is assigned to Meadows at Banks Subdivision. The remaining unassigned bond surety shall be \$760,000 (a total of \$90,000 is being assigned concurrently in Docket Nos. W-218, Subs 480, 482, 494, 500, 506, 510, 511, and 513).

3. That the contiguous extension of water utility service from the Banks Point, Phase 1, service area into Meadows at Banks Subdivision in Wake County, North Carolina, is recognized as meeting the Commission's criteria for the extension.

4. That Appendix A-__ constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.

5. That Aqua's existing Schedule of Rates approved by Commission Order issued on December 18, 2018, in Docket No. W-218, Sub 497, is approved for utility service in the Meadows at Banks Subdivision.

6. That a meter installation fee of \$70 for water service is approved for Meadows at Banks Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 506

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Meadows at Banks Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 510

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202)	
MacKenan Court, Cary, North Carolina 27511,)	
of Intention to Begin Operations in an Area)	ORDER RECOGNIZING
Contiguous to a Present Service Area to)	CONTIGUOUS EXTENSION
Provide Water Utility Service in Banks Point,)	AND APPROVING RATES
Phase 5, Subdivision in Wake County, North)	
Carolina)	

BY THE COMMISSION: On October 2, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Banks Point, Phase 5, Subdivision, which is contiguous to Aqua’s Banks Point, Phase 4, service area, part of the Kensington Meadows Water System, in Wake County, North Carolina. Aqua proposes to charge the rates currently approved for its other franchised service areas.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on March 11, 2019.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua’s record of service is satisfactory.
2. Aqua expects eventually to serve 9 water customers in Banks Point, Phase 5, Subdivision. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Banks Point, Phase 5, Subdivision. The plans are approved under serial number 18-00759, dated September 13, 2018.

4. Aqua has entered into an Agreement dated March 6, 2017, with HHHunt Banks Point, LLC (Developer), under which Developer is installing the water utility system. Aqua is to pay the Developer \$1,200 per well towards costs associated with well testing. Aqua is purchasing the water system from Developer for \$700 per single-family residential equivalent (SFRE) with no connection fee, payable quarterly based upon the number of water service meters installed during the previous quarter. The Public Staff has reviewed the Agreement and recommended that it be approved as written.

5. Aqua has filed all exhibits required with the Notification.

6. Aqua has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Aqua be required to post a \$10,000 bond for Banks Point, Phase 5, Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,150,000 of bond surety is assigned to specific subdivisions, and \$850,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, The Commission is of the opinion that \$10,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in Banks Point, Phase 5, Subdivision should be recognized; that the meter installation fee for water utility service should be approved; that the Agreement should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That the Agreement between Aqua and HHHunt Banks Point, LLC, dated March 6, 2017, is hereby approved as written. Aqua shall file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

2. That \$10,000 of Aqua's unassigned surety bond is assigned to Banks Point, Phase 5, Subdivision. The remaining unassigned bond surety shall be \$760,000 (a total of \$90,000 is being assigned concurrently in Docket Nos. W-218, Subs 480, 482, 494, 500, 506, 510, 511, and 513).

3. That the contiguous extension of water utility service from the Banks Point, Phase 4, service area into Banks Point, Phase 5, Subdivision in Wake County, North Carolina, is recognized as meeting the Commission's criteria for the extension.

4. That Appendix A-__ constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.

5. That Aqua's existing Schedule of Rates approved by Commission Order issued on December 18, 2018, in Docket No. W-218, Sub 497, is approved for utility service in the Banks Point, Phase 5, Subdivision.

6. That a meter installation fee of \$70 for water service is approved for Banks Point, Phase 5, Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 510

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Banks Point, Phase 5, Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 511

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202)	
MacKenan Court, Cary, North Carolina 27511,)	
of Intention to Begin Operations in an Area)	ORDER RECOGNIZING
Contiguous to a Present Service Area to)	CONTIGUOUS EXTENSION
Provide Water Utility Service in Papillon Park,)	AND APPROVING RATES
Phase 2, Subdivision in Wake County, North)	
Carolina)	

BY THE COMMISSION: On January 9, 2019, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in Papillon Park, Phase 2, Subdivision, which is contiguous to Aqua’s Papillon Park, Phase 1, service area, part of the Parker Falls Water System, in Wake County, North Carolina. Aqua filed an amendment to the notification on January 25, 2019. Aqua proposes to charge the rates currently approved for its other franchised service areas.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on March 11, 2019.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua’s record of service is satisfactory.
2. Aqua expects eventually to serve 26 water customers in Papillon Park, Phase 2, Subdivision. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for Papillon Park, Phase 2, Subdivision. The plans are approved under serial number 18-00670, dated September 27, 2018.

4. Aqua has entered into an Agreement dated June 11, 2018, with Marquis Homes & Company (Developer), under which Developer is installing the water utility system. Aqua is to pay the Developer \$1,200 per well towards costs associated with well testing. Aqua is requesting a meter installation fee of \$70 and a connection fee of \$500 per single family residential equivalent (SFRE) for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system from Developer for \$1,200 per single-family residential equivalent (SFRE), payable quarterly based upon the number of water service meters installed during the previous quarter. The Public Staff has reviewed the Agreement and recommended that it be approved as written.

5. Aqua has filed all exhibits required with the Notification.

6. Aqua has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

7. The Public Staff has recommended that Aqua be required to post a \$10,000 bond for Papillon Park, Phase 2, Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,150,000 of bond surety is assigned to specific subdivisions, and \$850,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, The Commission is of the opinion that \$10,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in Papillon Park, Phase 2, Subdivision should be recognized; that the meter installation fee and connection fee for water utility service should be approved; that the Agreement should be approved, and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That the Agreement between Aqua and Marquis Homes & Company, dated June 11, 2018, is hereby approved as written. Aqua shall file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

2. That \$10,000 of Aqua's unassigned surety bond is assigned to Papillon Park, Phase 2, Subdivision. The remaining unassigned bond surety shall be \$760,000 (a total of \$90,000 is being assigned concurrently in Docket Nos. W-218, Subs 480, 482, 494, 500, 506, 510, 511, and 513).

3. That the contiguous extension of water utility service from the Papillon Park, Phase 1, service area into Papillon Park, Phase 2, Subdivision in Wake County, North Carolina, is recognized as meeting the Commission's criteria for the extension.

4. That Appendix A-__ constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.

5. That Aqua's existing Schedule of Rates approved by Commission Order issued on December 18, 2018, in Docket No. W-218, Sub 497, is approved for utility service in the Papillon Park, Phase 2, Subdivision.

6. That a meter installation fee of \$70 and a connection fee of \$500 per SFRE for water service are for water service is approved for Papillon Park, Phase 2, Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 511

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

Papillon Park, Phase 2, Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 513

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
Notification by Aqua North Carolina, Inc., 202)	
MacKenan Court, Cary, North Carolina 27511,)	
of Intention to Begin Operations in an Area)	ORDER RECOGNIZING
Contiguous to a Present Service Area to)	CONTIGUOUS EXTENSION
Provide Water Utility Service in The Reserve at)	AND APPROVING RATES
Falls Lake, Phases 2 and 3, Subdivision in)	
Wake County, North Carolina)	

BY THE COMMISSION: On December 21, 2018, Aqua North Carolina, Inc. (Aqua), filed a Notification of Intention to Begin Operations in Area Contiguous to Present Service Area (Notification) for water utility service in The Reserve at Falls Lake, Phases 2 and 3, Subdivision, which is contiguous to Aqua’s The Reserve at Falls Lake, Phase 1, service area, part of the Bayleaf Master System, in Wake County, North Carolina. Aqua proposes to charge the rates currently approved for the Bayleaf Master System service area.

The Public Staff presented this matter at the Commission’s Regular Staff Conference on March 11, 2019.

Based upon the verified Notification, and the entire record in this matter, the Commission makes the following

FINDINGS OF FACT

1. Aqua presently holds water franchises serving approximately 80,000 customers and wastewater franchises serving approximately 19,000 customers throughout North Carolina. Aqua’s record of service is satisfactory.

2. Aqua expects eventually to serve 46 water customers in The Reserve at Falls Lake, Phases 2 and 3, Subdivision. The service area is shown on plans filed with the Notification.

3. The North Carolina Department of Environmental Quality, Division of Water Resources (DWR), Public Water Supply Section, has issued a plan approval letter for The Reserve at Falls Lake, Phases 2 and 3, Subdivision. The plans are approved under serial number 17-01055, dated March 21, 2018, and for The Reserve at Falls Lake Well No. 3, serial number 17-00267, dated May 5, 2017.

4. Aqua has entered into a Water Utility System Agreement dated August 26, 2014, with MBA Land Group, LLC (Developer), under which Developer is installing the water utility system, including the construction of Stanton Woods Well No. 3 and The Reserve at Falls Lake Well No. 3, distribution extension, and interconnection. Aqua is requesting a meter installation fee of \$70 and a connection fee of \$500 per single-family residential equivalent (SFRE) for water service, to be paid by the builder or person first requesting service to a particular lot. Aqua is purchasing the water system for \$1,000 per SFRE from Developer, payable quarterly based upon the number of water service meters installed during the previous quarter. In addition, Aqua is paying Developer up to \$1,200 towards costs associated with the new well's analytical testing. There is a 4,000 foot main extension for this contiguous extension. The Developer will pay \$85,000 for the cost of 8-inch water main and Aqua will pay the added cost to upgrade the water main to 12-inch for this 4,000 foot extension.

5. The Developer has provided well production capacity of 65 gallons per minute but is 23 gallons per minute short of the Agreement required 88 gallons per minute for the 75 lots in the Agreement. The Agreement provides the Developer will pay CIAC of \$4,000 per gallon totaling \$92,000 to reserve water capacity for the 23 gallon per minute deficiency.

6. The Public Staff has reviewed the Agreement and recommended that the Commission not approve the Agreement as the Developer is not providing all the necessary new water well capacity for these 75 lots on the Bayleaf Master System, which the Public Staff stated has a history of marginally adequate well water capacity during extended periods of heavy lawn and shrub irrigation. The Public Staff has discussed these concerns with Aqua and Aqua has since discontinued allowing developers to pay cash CIAC payment to reserve capacity on the Bayleaf Master System instead of providing actual new well water capacity. The Public Staff recommended the Commission recognize this contiguous extension, but not approve the Agreement. The Public Staff recommended that the Commission require Aqua to file and request approval of all future amendments to the Agreement within 15 days after signing said amendments.

7. Aqua has filed all exhibits required with the Notification.

8. Aqua has the technical, managerial, and financial capacity to provide water utility service in this franchise location.

9. The Public Staff has recommended that Aqua be required to post a \$10,000 bond for The Reserve at Falls Lake, Phases 2 and 3, Subdivision. Aqua currently has \$13,000,000 of bonds posted with the Commission. Of this amount, \$12,150,000 of bond surety is assigned to specific subdivisions, and \$850,000 of bond surety is unassigned.

CONCLUSIONS

Based on the foregoing and the recommendations of the Public Staff, The Commission is of the opinion that \$10,000 of Aqua's unassigned bond surety should be assigned to the contiguous extension; that the contiguous extension by Aqua in The Reserve at Falls Lake, Phases 2 and 3, Subdivision should be recognized; that the meter installation fee and connection fee for water utility service should be approved; and that the requested rates should be approved.

IT IS, THEREFORE, ORDERED as follows:

1. That Aqua file and request Commission approval of all future amendments to the Agreement within 15 days after signing said amendments.
2. That \$10,000 of Aqua's unassigned surety bond is assigned to The Reserve at Falls Lake, Phases 2 and 3, Subdivision. The remaining unassigned bond surety shall be \$760,000 (a total of \$90,000 is being assigned concurrently in Docket Nos. W-218, Subs 480, 482, 494, 500, 506, 510, 511, and 513).
3. That the contiguous extension of water utility service from the The Reserve at Falls Lake, Phase 1, service area into The Reserve at Falls Lake, Phases 2 and 3, Subdivision in Wake County, North Carolina, is recognized as meeting the Commission's criteria for the extension.
4. That Appendix A-__ constitutes the Certificate of Public Convenience and Necessity covering the contiguous extension.
5. That Aqua's existing Schedule of Rates approved by Commission Order issued on December 18, 2018, in Docket No. W-218, Sub 497, is approved for utility service in the The Reserve at Falls Lake, Phases 2 and 3, Subdivision.
6. That a meter installation fee of \$70 and a connection fee of \$500 per SFRE for water service are for water service is approved for The Reserve at Falls Lake, Phases 2 and 3, Subdivision.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. W-218, SUB 513

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

AQUA NORTH CAROLINA, INC.

is granted this

CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

to provide water utility service

in

The Reserve at Falls Lake, Phases 2 and 3, Subdivision

Wake County, North Carolina,

subject to any orders, rules, regulations,
and conditions now or hereafter lawfully made
by the North Carolina Utilities Commission.

ISSUED BY ORDER OF THE COMMISSION.

This the ____ day of March, 2019.

NORTH CAROLINA UTILITIES COMMISSION

M. Lynn Jarvis, Chief Clerk