UTILITIES COMMISSIO OFFICIAL COPY RALEIGH

NEWS RELEASE

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NCUC DIRECTS CUSTOMERS OF PUBLIC UTILITY WATER SYSTEMS TO CURTAIL NONESSENTIAL WATER USAGE

The North Carolina Utilities Commission has ordered that water use by the customers of all Commission-regulated water and water resale companies be restricted to essential household or business use only. Nonessential water uses include, but are not limited to, the following:

- Watering lawns and shrubbery at homes and businesses.
- Washing down houses, driveways, or sidewalks.
- Washing cars.
- Restaurants serving water to patrons who have not directly requested water.

The Commission took this action following Governor Easley's address to the North Carolina League of Municipalities on October 15, 2007, in which he called on the state's municipal leaders to take the lead in directing citizens to stop using water for any purpose that is not essential to public health and safety so communities can conserve dwindling water supplies and more stringent restrictions can be avoided.

The drought across much of the state is the worst in recorded history. As of October 23, 2007, all 100 counties have been declared to be under drought conditions

(72 counties are in exceptional drought, 17 counties are in extreme drought, and 11 counties are in severe drought) by the North Carolina Drought Management Advisory Council. With a drier than normal winter forecast, the Governor said that every citizen must save water in every way possible to avoid a crisis that could lead to rationing.

The ban on nonessential water use becomes effective on November 1, 2007, and will continue until further order of the Commission. Customers who use water for nonessential purposes after a warning by their utility company are subject to disconnection of their water utility service. While the Order provides the opportunity for customers to petition the Commission for an exception to the restrictions, the Commission noted that, due to the unprecedented drought conditions noted above, requests for exceptions allowing the watering of lawns and shrubbery will not be granted. As Governor Easley said, "A bit of mud on the car or patches of brown on the lawn must be a badge of honor. It means you are doing the right thing for your community and our state."

The Commission regulates approximately 577 private companies that provide water and/or sewer service throughout the State. The Commission will closely monitor the effect of the drought on these systems and will continue working with Governor Easley and the North Carolina Drought Management Advisory Council to assist in ensuring adequate and safe water supplies during the continuing drought. The Commission is poised to take additional steps, as necessary, to support the Governor's efforts to manage and conserve the State's water supply.