

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION  
 APPLICATION FOR RATE INCREASE

INSTRUCTIONS

Notes or explanations placed in the margins of the application are acceptable. If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable" or cross out the section.

APPLICANT

1. Trade name used for utility business Old North State Water Company LLC
2. Name of owner (if different from trade name) \_\_\_\_\_
3. Business mailing address PO Box 10127  
 City and state Birmingham, AL Zip Code 35202
4. Business street address (if different from mailing address) 3212 6th Ave So, Ste 200, Birmingham, AL 35222
5. Business telephone number (205) 326-3200
6. List the counties in which you provide water utility service Cumberland, Davidson, Franklin, Guilford, Orange  
Randolph, Rockingham, Wake
7. List the counties in which you provide sewer utility service not applicable

PROPOSED AND PRESENT RATES

	<u>Proposed Rates</u>	<u>Present Rates</u>
8. Metered Residential Service:		Various: \$15.00 base, \$5.00/1,000 gal; \$17.02 base,
Water:	<u>\$27.00 base, \$8.29/ 1,000 gal</u>	<u>\$4.80/1,000 gal; \$17.97 base, \$5.03/1,000 gal;</u>
Sewer:	<u>not applicable</u>	<u>\$25.00 base, \$5.50/1,000 gal; \$34.14 base,</u>
9. Flat Rate Residential Service:		<u>\$3.29/1,000 gal</u>
Water:	_____	_____
Sewer:	_____	_____
10. Nonresidential Service (explain):		
Water:	_____	_____
Sewer:	_____	_____
11. Tap-on fees:		
Water:	_____	_____
Sewer:	_____	_____

OTHER PROPOSED RATES

12. Finance charge for late payment: no change  
 (NCUC Rule R12-9) specifies not more than one percent (1.0%) per month will be applied to the unpaid balance of all bills still past due 25 days after billing date.)
13. Reconnection charge if water service cut off by utility as specified in NCUC Rule R7-20: no change
14. Reconnection charge if water service discontinued at customer's request: no change
15. Reconnection charge if sewer service cut off by utility as specified in NCUC Rule R10-16: no change
16. Other charges: Meter Fee - proposed \$125, current \$70
17. What date are the proposed rates to become effective? 7/1/2021
18. How long have the present rates been in effect? various since 2014

PROPOSED BILLING

19. Frequency of billing shall be (monthly, quarterly, etc.) no change
20. Billing shall be for service (in advance or arrears) no change
21. Bills past due no change days after the billing dates:  
 (NCUC Rule R12-9 specifies that bills shall not be past due less than fifteen (15) days after billing date).
22. Will regular billing be by written statement? (yes or no) yes, with option to elect e-bills

**REVENUES AND EXPENSES**

For 12 Months Ended December 31, 2020 (Date)

<u>Revenues</u>	<u>Water</u>	<u>Sewer</u>
1. Residential service (flat rate)	\$ 0	\$
2. Residential service (metered rate)	\$ 675,629.36	\$
3. Nonresidential service (flat rate)	\$ 0	\$
4. Nonresidential service (metered rate)	\$ 0	\$
5. Other revenues (describe in remarks below)	\$ 15,070.83	\$
6. Total Revenues (Lines 1 thru 5)	<u>\$ 690,700.19</u>	<u>\$</u>
7. Total salaries	\$	\$
8. Administrative and office expense (except salaries)	\$ 206,253.79	\$
9. Maintenance and repair expense (except salaries)	\$ 558,638.32	\$
10. Transportation expenses	\$	\$
11. Electric power for pumping	\$ 58,711.41	\$
12. Chemicals for treatment	\$ 11,659.53	\$
13. Testing fees	\$ 38,351.91	\$
14. Permit fees	\$ 1,010.08	\$
15. Purchased water/sewer treatment	\$ 27,843.12	\$
16. Annual depreciation	\$ 69,928.03	\$
17. Taxes: State income taxes	\$	\$
18. Federal income taxes	\$	\$
19. Gross receipts (or franchise tax)	\$	\$
20. Property taxes	\$ 1,187.50	\$
21. Payroll taxes	\$	\$
22. Other taxes	\$ 4,900.00	\$
23. Other expenses (describe in remarks below)	\$ 64,436.85	\$
24. Total Expenses (Lines 7 thru 23)	<u>\$ 1,042,920.54</u>	<u>\$</u>
25. Net Operating Income (Line 6 minus Line 24)	<u>\$ (352,220.35)</u>	<u>\$</u>
26. Interest on debt during year	\$	\$
27. Net Income (Line 25 minus Line 26)	<u>\$ (352,220.35)</u>	<u>\$</u>

Remarks

28. Misc Service Revenues \$15,070.83	
29. Professional Expense \$53,831.77	
30. Insurance Expense \$6,846.75	
31. Miscellaneous Expense \$3,758.33	
32.	

NUMBER OF CUSTOMERS SERVED  
(at end of month)

	<u>Water</u>			<u>Sewer</u>		
	<u>Flat Rate Customers</u>	<u>Metered Customers</u>	<u>Gallons Sold to Metered Custs.</u>	<u>Flat Rate Customers</u>	<u>Metered Customers</u>	<u>Gallons Sold to Metered Custs.</u>
33. January		1,176	3,920,812			
34. February		1,283	4,197,066			
35. March		1,307	3,990,081			
36. April		1,351	4,966,014			
37. May		1,388	6,892,598			
38. June		1,425	8,419,495			
39. July		1,455	8,818,437			
40. August		1,502	10,208,138			
41. September		1,529	9,562,537			
42. October		1,550	7,955,627			
43. November		1,574	7,181,163			
44. December		1,576	6,049,467			

**ORIGINAL COST OF UTILITY SYSTEM**  
As of Year Ended December 31, 2020 (Date)

**Note:** List the total original cost to construct and establish the system, whether or not paid for by the Present Owner.

	<u>Utility Property in Service</u>	
	<u>Balance at End of Year</u>	
	<u>Water</u>	<u>Sewer</u>
1. Land and rights-of-way	\$ 285,326.00	\$
2. Structures and site improvement	\$ 1,473,390.87	\$
3. Wells	\$ 755,051.03	\$
4. Pumping equipment	\$ 482,197.29	\$
5. Treatment equipment	\$ 100,544.23	\$
6. Storage tanks	\$ 844,628.36	\$
7. Mains (excluding service connections)	\$ 3,258,522.57	\$
8. Service connections	\$ 333,936.75	\$
9. Meters (including spare meters)	\$ 163,876.57	\$
10. Office furniture and equipment	\$ 0	\$
11. Transportation equipment	\$ 0	\$
12. Other utility property in service (describe in remarks below)	\$ 572,700.68	\$
13. Total utility property in service (Lines 1 thru 12)	\$ 8,270,174.35	\$
14. Less: accumulated depreciation	\$ 1,068,258.10	\$
15. Less: accumulated tap fees and other contributions in aid of construction	\$ 6,033,091.57	\$
16. Less: customer advances	\$ 338,009.25	\$
17. Net investment in utility property (Line 13 minus 14, 15, & 16)	\$ 830,815.43	\$

	<u>Utility Property Not in Service</u>	
	<u>Balance at End of Year</u>	
	<u>Water</u>	<u>Sewer</u>
18. Construction work in progress	\$ 15,374.75	\$
19. Property held for future use	\$	\$
20. Other (describe in remarks below)	\$	\$

Remarks

21. \_\_\_\_\_
22. \_\_\_\_\_
23. \_\_\_\_\_
24. \_\_\_\_\_

**ANNUAL DEPRECIATION**

25. If annual depreciation is claimed using a composite rate for the entire system, show composite rate used:  
Water: \_\_\_\_\_  
Sewer: \_\_\_\_\_
26. If annual depreciation is claimed using individual rates for each type of equipment, show rates of depreciation used: the annual depreciation rate below is annualized for assets in service as of 12/31/2020

Type of Equipment	Annual Depreciation Rate	Method Used (Straight Line, etc.)	Amount of Annual Depreciation
SCADA, Electrical, Testing, Eye Wash	5-year	Straight Line	21,387.01
Strainer	7-year	Straight Line	331.92
Pumps, Blowers, Air Compressors	10-year	Straight Line	46,899.59
Meters, VFD	15-year	Straight Line	19,125.42
Water Softener, Filters	20-year	Straight Line	296.15
Structure & Improvements, Tank	25-year	Straight Line	53,081.55
Bingham Woods purchased UPIs	30-year	Straight Line	1,000.16
Engineering	40-year	Straight Line	11,561.08
Wells, Mains, Tanks	50-year	Straight Line	99,168.52

**CONTRIBUTIONS IN AID OF CONSTRUCTION**  
(Including Tap Fees)

- 1. Has the utility collected any gross-up on contributions in aid of construction (CIAC), such as contributed plant and tap fees, since the test year of its last rate case? (yes or no) yes

**EMPLOYEE SALARIES**  
(Including Owner)

	Name	Duties	Salaries Paid During Year	Hours Worked During Year
2.	_____	_____	\$ _____	_____
3.	_____	_____	\$ _____	_____
4.	_____	_____	\$ _____	_____

**FINANCIAL INFORMATION**

	Source of Loans (For Utility Purposes)	Interest Rates	Amount Unpaid End of Year
5.	Integra Water, LLC	6.00%	\$ 98,300.00
6.	_____	_____	\$ _____
7.	_____	_____	\$ _____

**OTHER FINANCIAL INFORMATION**

8.	Stocks issued .....	\$ 0
9.	Accumulated (or retained) earnings or losses .....	\$ (727,325.96)
10.	Cash on hand .....	\$ 0
11.	Accounts receivable .....	\$ 38,401.00
12.	Accounts payable .....	\$ 646,123.21
13.	Customer deposits on hand .....	\$ 0
14.	Materials and supplies .....	\$ 0
15.	Other investments .....	\$ 0

**FILING INSTRUCTIONS**

- 16. Seven (7) copies of the application and exhibits shall be filed with the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4325. **Twenty-five (25) copies of a Class A or B utility company should be filed.** One of these copies must have original signature. (Applicants must make their copies if desired.) Class A and B utility companies are also required to file a written letter of intent to file a general rate case with the Commission thirty (30) days in advance of filing this application. Furthermore, Class A utility companies should file a NCUC Form W-1 along with this rate increase application form as required in Rule R1-17(12)(d).
- 17. Enclose a filing fee as required by G. S. §82-300. A Class A company (annual revenues of \$1,000,000 or more) requires a \$500 filing fee. A Class B company (annual revenues between \$200,000 and \$1,000,000) requires a \$250 filing fee. A Class C company (annual revenues less than \$200,000) requires a filing fee of \$100. **MAKE CHECK PAYABLE TO N.C. DEPARTMENT OF COMMERCE/UTILITIES COMMISSION.**

**SIGNATURE**

- 18. Application shall be signed and verified by the Applicant.

[Signature]  
Signature  
6/29/21  
Date

- 19. (Typed or Printed Name) John McDonald personally appearing before me and being first duly sworn, says that the information contained in this application and in the exhibits attached hereto are true to the best of his/her knowledge and belief.

This the 29<sup>th</sup> day of June, 2021.  
[Signature]  
Notary Public

3212 6th Ave S, Ste 200, Bham, AL  
Address 35222

My Commission Expires: 5/6/24  
Date

