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To: [Statements; "utilityAGO@ncdoj.gov"](mailto:Statements;utilityAGO@ncdoj.gov)
Subject: Aqua North Carolina Inc application for rate increase
Date: Tuesday, July 14, 2020 2:57:39 PM

Gentlemen,

Being no scholar with regard to this subject, I offer the following, admittedly, very simplistic analysis. Aqua North Carolina, Inc. (“Aqua”) is a subsidiary of Essential Utilities, Inc. (“Essential”). (Essential was formerly named Aqua America, Inc. and has been an acquirer of water and gas distribution systems.) Essential is a public company (ticker WTRG). Its 10Q for the quarter ending 3-31-20 indicates that its operating income was up 9% compared to the same quarter in 2019 and that its net income per common share, fully diluted, was up 122% vs. the year ago quarter. The increase being requested by Aqua is more than 7% for the meter (typical residential customer’s meter) and more than 9% for the water. At a time when inflation, generally (consumer price index), is less than 2%, it appears that Aqua’s request is not only out of line with the increase in the general price level but, also, beyond any need, as judging by Essential’s financial performance. I hope you will insist on a demonstrable basis for any increase, much less one so beyond the current inflationary trend.

Thank you.

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