

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

NOTICE TO CUSTOMERS
DOCKET NO. W-218, SUB 629
DOCKET NO. W-218, SUB 631

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

NOTICE IS HEREBY GIVEN that Aqua North Carolina, Inc. (Aqua), 202 MacKenan Court, Cary, North Carolina 27511, has filed an application with the North Carolina Utilities Commission for authority to increase rates for providing water and/or sewer utility service in all its service areas in North Carolina and for approval of a Water and Sewer Investment Plan (WSIP). **Aqua's proposed changes to the present water rates for its Brookwood/LaGrange service areas in Cumberland and Hoke Counties are as follows:**

WATER UTILITY SERVICE

Monthly Metered Service (Residential and Commercial customers)

Base facility charge, per month (zero usage, based on meter size)

	Existing	Proposed	WSIP Year 1	WSIP Year 2	WSIP Year 3
<1" meter	\$ 19.41	\$ 20.14	\$ 23.03	\$ 24.17	\$ 25.53
1" meter	\$ 48.53	\$ 50.35	\$ 57.58	\$ 60.43	\$ 63.83
1-1/2" meter	\$ 97.05	\$ 100.70	\$ 115.15	\$ 120.85	\$ 127.65
2" meter	\$ 155.28	\$ 161.12	\$ 184.24	\$ 193.36	\$ 204.24
3" meter	\$ 291.15	\$ 302.10	\$ 345.45	\$ 362.55	\$ 382.95
4" meter	\$ 485.25	\$ 503.50	\$ 575.75	\$ 604.25	\$ 638.25
6" meter	\$ 970.50	\$ 1,007.00	\$ 1,151.50	\$ 1,208.50	\$ 1,276.50

Usage charge, per 1,000 gallons

	Existing	Proposed	WSIP Year 1	WSIP Year 2	WSIP Year 3
All service areas unless noted differently below	\$ 8.28	\$ 8.46	\$ 9.67	\$ 10.20	\$ 10.72

Bulk Purchased Water Systems

Proposed monthly base charge same as above

Proposed usage rate per 1,000 gallons same as bulk water provider as shown below. However, purchased water usage charges are subject to pass through changes pursuant to N.C.G.S. § 62-133.11 between rate cases and/or during the WSIP.

Service Area	Water Provider	Existing	Proposed	WSIP Year 1	WSIP Year 2	WSIP Year 3
Arden Forest	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Bretton Woods	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Colony Village	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
County Walk	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Forest Lake	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Jena-Shane	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Kelly Hills	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Lands Down West	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Porter Place	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Raintree	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Ridge Manor	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
S & L Estates	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Springdale	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Stoney Point	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Tarleton Plantation	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Thornwood	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Wendemere	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Windsong	Fayetteville PWC	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63	\$ 4.63
Woodland Run	Town of Linden	\$ 5.36	\$ 5.36	\$ 5.36	\$ 5.36	\$ 5.36

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Monthly Unmetered Service (flat rate)

All service areas unless noted differently below	Existing	Proposed	WSIP Year 1	WSIP Year 2	WSIP Year 3
Residential customers	\$ 57.83	\$ 57.53	\$ 65.77	\$ 69.25	\$ 72.91
Commercial customers (per REU*)	\$ 76.16	\$ 66.03	\$ 75.48	\$ 79.49	\$ 83.68

*(REU = Residential Equivalent Unit)

Water System Improvement Charge

	Existing	Proposed	WSIP Year 1	WSIP Year 2	WSIP Year 3
All service areas unless noted differently below	0.00%	0.00%	0.00%	0.00%	0.00%

The Water System Improvement Charge is applied to the total water utility bill of each customer under Aqua's applicable rates and charges.

The Commission may consider additional or alternative rate design proposals that were not included in the original application and may order increases or decreases in the schedules that differ from those proposed by Aqua. However, any rate structure considered will not generate more overall revenues than requested.

EFFECT OF RATES

The effect of the proposed rate increase will vary based on usage. The average monthly residential water bill is based on the application of a historical downward consumption trend applied to the average 2024 monthly consumption, which results in average monthly usage of 4,420 gallons. Assuming Aqua's calculated average consumption, the monthly bills would increase by the percentages in the table below. The WSIP Year 1 increase includes the Proposed percentage increase, and the **WSIP Year 1 through 3 increases are cumulative**.

Percentage Increase

Service Area	Water Provider	Proposed	WSIP Year 1	WSIP Year 2	WSIP Year 3
			WSIP Year 1 through 3 increases are cumulative		
All Brookwood/LaGrange Service Areas, except as listed below		2.7%	17.4%	23.7%	30.2%
Arden Forest	Fayetteville PWC	1.8%	9.1%	11.9%	15.3%
Bretton Woods	Fayetteville PWC	1.8%	9.1%	11.9%	15.3%
Colony Village	Fayetteville PWC	1.8%	9.1%	11.9%	15.3%
County Walk	Fayetteville PWC	1.8%	9.1%	11.9%	15.3%
Forest Lake	Fayetteville PWC	1.8%	9.1%	11.9%	15.3%
Jena-Shane	Fayetteville PWC	1.8%	9.1%	11.9%	15.3%
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Wendemere	Fayetteville PWC	1.8%	9.1%	11.9%	15.3%
Windsong	Fayetteville PWC	1.8%	9.1%	11.9%	15.3%
Woodland Run	Town of Linden	1.7%	8.4%	11.0%	14.2%
Monthly residential unmetered flat rate water bill		-0.5%	13.7%	19.8%	26.1%
Monthly commercial unmetered flat rate water bill		-13.3%	-0.9%	4.4%	9.9%

WATER SYSTEM IMPROVEMENT CHARGE MECHANISM

Pursuant to Commission Rule R7-39(k), the Water System Improvement Charge (WSIC) shall be reset at zero as of the effective date of new base rates established by the Commission in this general rate case. If Aqua's request for approval of a WSIP is granted, the WSIC will be discontinued during the term of the WSIP pursuant to N.C.G.S. § 62-133.1B and Commission Rule R1-17A. If the WSIP is not approved, Aqua plans to immediately continue use of the WSIC.

CONSUMPTION ADJUSTMENT MECHANISM

Aqua has requested authority to implement a Consumption Adjustment Mechanism (CAM) within each of Aqua's three water rate divisions, pursuant to N.C.G.S. § 62-133.12A and Commission Rule R7-40 if the WSIP is not authorized.¹ Aqua asserts that the mechanism, if approved for use, is intended to provide a true-up of the average per-customer consumption levels used to calculate rates necessary to achieve an approved revenue requirement.

RATES UNDER BOND

Pursuant to N.C.G.S. § 62-135, Aqua's application includes a proposal to implement its proposed rates under bond on a temporary, interim basis subject to refund, effective for service rendered on and after November 30, 2025.

WATER AND SEWER INVESTMENT PLAN (WSIP)

This filing also includes a request for approval of a WSIP pursuant to N.C.G.S. § 62-133.1B and Commission Rule R1-17A. This rate-making mechanism will allow Aqua to recover the reasonably known and measurable capital investments and anticipated reasonable and prudent expenses approved under the WSIP. In support of this request, Aqua has filed a three-year plan with its application which lists proposed water and sewer capital investment projects, anticipated water and sewer expenses, and the proposed rates to be effective in each year of the WSIP. By law, any rate adjustment allowed under an approved WSIP must not, on an annual basis for years two and three of the WSIP, exceed five percent of the utility's North Carolina service revenues for the preceding plan year. The Commission may, however, consider the addition of certain unplanned emergency capital investments even if such expenditures would cause the cap to be exceeded. The Commission may also terminate or modify any WSIP approved in this case if it determines that termination or modification is in the public interest.

In this WSIP, Aqua has requested that the Commission allow it to recover water service revenues for the Brookwood water rate division of \$11,244,704 in WSIP Year 1, \$11,785,636 in WSIP Year 2, and \$12,367,188 in WSIP Year 3. If the WSIP is approved without modifications, the average monthly water bill for a typical residential Brookwood water customer (based upon monthly water usage of 4,420 gallons) would be \$65.77 in WSIP Year 1, \$69.25 in WSIP Year 2, and \$72.91 in WSIP Year 3.

A list of present rates, together with details of the proposed adjustments in rates, can be obtained at the business offices of Aqua or at the Office of the Chief Clerk of the North Carolina Utilities Commission, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina, where a copy of the Application is available for review. These materials, as well as pleadings, the prefiled testimony and exhibits of all parties, the transcripts of all hearings, briefs, and proposed orders, may be viewed as they become available on the Commission's website at www.ncuc.gov. Click on "Docket Search" and search for docket number "W-218 Sub 629" or "W-218 Sub 631".

The Commission has suspended the proposed rate changes and has scheduled the Application for investigation and hearing. Persons desiring to present testimony for the record should appear at one of the public witness hearings. Persons desiring to send written statements to inform the Commission of their positions in the matter should address their statements to the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300 and reference Docket Nos. W-218, Subs 629 and 631. However, such written statements cannot be considered competent evidence unless those persons appear at the hearing and testify concerning the information contained in their written statements. Customers can also email the Commission a statement about Aqua's rate request via the Commission's website at www.ncuc.gov/contactus.html. In either case, consumer statements will be placed in Docket No. W-218, Subs 629CS and 631CS, and may be accessed by searching that docket number via the Commission's website.

PUBLIC HEARINGS

FURTHER NOTICE IS GIVEN that the North Carolina Utilities Commission has scheduled hearings for the purpose of receiving public witness testimony on the document type as follows:

Gastonia:	Monday, August 4, 2025, at 7:00 p.m. Gaston County Courthouse 325 Martin Luther King, Jr. Way Commissioner's Meeting Room Gastonia, North Carolina 28052
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¹ Pursuant to N.C.G.S. § 62-133.12A, any rate adjustment mechanism authorized pursuant to N.C.G.S. § 62-133.12A shall be discontinued during the term of any WSIP.



Wilmington: Tuesday, August 26, 2025, at 7:00 p.m.
New Hanover County Courthouse
316 Princess Street, Courtroom 317
Wilmington, North Carolina 28401

Raleigh: Wednesday, September 3, 2025, at 7:00 p.m.
North Carolina Utilities Commission
430 North Salisbury Street
Commission Hearing Room 2115
Raleigh, North Carolina 27603

Webex: Monday, September 8, 2025, at 6:30 p.m.

The September 8, 2025, public witness hearing shall be held remotely via Webex, beginning at 6:30 p.m. A link to view the hearing will be available at www.ncuc.gov. Members of the public that would like to testify must register in advance of the hearing, no later than 5:00 p.m. on August 29, 2025.

To register, please complete the electronic Remote Public Witness Registration form located on the Commission's website at www.ncuc.gov/hearings/remotepublicregister.html. A confirmation email will be sent to the email provided after the registration form is submitted. Further instructions, including the call-in number, will be provided to you by email approximately one week before the hearing. Witnesses calling from a different number than provided at registration may experience delays or other difficulties in providing their testimony. If assistance is needed, please contact 919-733-0837.

Only the first 20 individuals registered by 5:00 p.m. on August 29, 2025, will be allowed to testify at the September 8, 2025 remote public witness hearing. This hearing will be canceled if no one registers to testify by 5:00 p.m. on August 29, 2025.

The hearings on August 4, August 26, September 3, and September 8, 2025, will be solely for the purpose of receiving the testimony of public witnesses in accordance with Commission Rule R1-21(g). The Commission reserves the right to limit testimony at all public witness hearings pursuant to Commission Rule R1-21(g)(5).

The hearings will resume in Raleigh on October 27, 2025, at 2:00 p.m., solely for the purpose of receiving expert witness testimony from the parties' witnesses and will continue as required for testimony and cross-examination of expert witnesses for Aqua, the Public Staff – North Carolina Utilities Commission (Public Staff), and other intervenors.

Pursuant to N.C.G.S. § 14-269.4, absent certain specific exceptions, it is unlawful for any person to possess, or carry, whether openly or concealed, any deadly weapon, not used solely for instructional or officially sanctioned ceremonial purposes, in any building housing any court of the General Court of Justice. Therefore, weapons are strictly prohibited at the hearings scheduled in this docket in the Commission's Hearing Room.

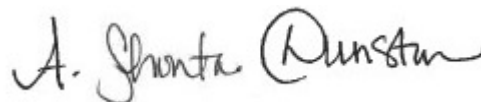
Persons having an interest in the investigation and desiring to intervene in the matter as formal parties of record may file their petitions to intervene not later than September 26, 2025. These petitions should reference Docket No. W-218, Sub 629 and should be filed with the Chief Clerk of the North Carolina Utilities Commission, 4325 Mail Service Center, Raleigh, North Carolina 27699-4300. All parties to this proceeding planning to present expert testimony must prefile their testimony and exhibits not later than September 26, 2025.

The Public Staff is authorized by statute to represent consumers in proceedings before the Commission. Written statements to the Public Staff should include any information which the writers wish to be considered by the Public Staff in its investigation of the matter. Such statements should be addressed to:

Mr. Christopher J. Ayers
Executive Director
Public Staff – North Carolina Utilities Commission
4326 Mail Service Center
Raleigh, North Carolina 27699-4300

This the 11th day of July, 2025.

NORTH CAROLINA UTILITIES COMMISSION



A. Shonta Dunston, Chief Clerk