**Changes to Water and Sewer Rates**
**Docket No. W-354 Subs 450 and 448**

*Application by Carolina Water Service, Inc. of North Carolina (CWSNC) for Authority to Adjust and Increase Rates for Water and Sewer Utility Service in All Its Service Areas in North Carolina and Approval of a Second Three-Year Water and Sewer Investment Plan*

And

*Petition of Carolina Water Service Inc. of North Carolina for an Accounting Order Authorizing the Company to Establish a Regulatory Asset and Defer for Subsequent Recovery in Rates Costs and Expenses Associated with Recovery from Hurricane Helene*

**Why am I receiving this Notice?**

On May 26, 2026, the North Carolina Utilities Commission issued an Order approving a three-year water and sewer investment plan (WSIP) and approving the water and sewer utility service rates for Rate Year 1 for CWSNC's customers in its Uniform service areas. The new rates approved for the Uniform Rate Divisions are effective for service rendered on and after April 1, 2026. CWSNC is authorized by the Commission to recover the difference in rates charged since April 1, 2026, with a surcharge to be filed at a later date. The newly effective rates are as follows:

**CWSNC UNIFORM CUSTOMERS**

(All customers except Bradfield Farms, Fairfield Harbour, Treasure Cove, Silverton, North River/Mill Creek and Merrimon, Echota, Seven Devils, Mountain Air, and Blacksmith Run)

**WSIP RATE YEAR 1**
**WATER RATES AND CHARGES**

Monthly Metered Water Service (Residential and Commercial):

Base Facility Charge (based on meter size, no usage)

| | | |
|---|---|---|
| <1" meter | $ | 34.85 |
| 1" meter | $ | 87.13 |
| 1 1/2" meter | $ | 174.25 |
| 2" meter | $ | 278.80 |
| 3" meter | $ | 522.75 |
| 4" meter | $ | 871.25 |
| 6" meter | $ | 1,742.50 |
| 8" meter | $ | 2,788.00 |
| Usage Charge, per 1,000 gallons | $ | 19.25 |

Sugar Mountain Service Area:

Where service to multiple units or other structures is provided through a single meter, the average usage for each unit or structure served by that meter will be calculated. Each unit or structure will be billed based upon that average usage plus the base monthly charge for a <1" meter.

| | | |
|---|---|---|
| Monthly Flat Rate Service: (Billed in Arrears) | $ | 99.49 |
| Availability Rate: (Semi-annual rate and billing) Applicable only to property owners in Carolina Forest and Woodrun Subdivisions in Montgomery County | $ | 35.73 |
| Availability Rate: (Monthly) Applicable only to property owners in Linville Ridge Subdivision | $ | 17.90 |
| Availability Rate: (Monthly rate, billed semi-annually) Applicable only to property owners in Fairfield Sapphire Valley Service Area | $ | 13.23 |
| Availability Rate: (Monthly rate, billed quarterly) Applicable only to property owners in Connestee Falls | $ | 6.98 |

Purchased Water for Resale:

Base Facility Charge (based on meter size, no usage)

| | | |
|---|---|---|
| <1" meter | $ | 39.14 |
| 1" meter | $ | 97.85 |
| 1 1/2" meter | $ | 195.71 |
| 2" meter | $ | 313.13 |
| 4" meter | $ | 978.55 |

| Service Area | Bulk Provider | Usage charge per 1,000 gallons |
|---|---|---|
| Carolina Forest | Montgomery County | $ 3.19 |
| Eastgate | Fayetteville PWC | $ 6.83 |
| Tanglewood South | Fayetteville PWC | $ 6.83 |
| High Vista Estates | City of Hendersonville | $ 7.01 |
| Riverbend | Town of Franklin | $ 9.92 |
| Riverpointe | Charlotte Water | $ 4.59 |
| Whispering Pines | Town of Southern Pines | $ 4.08 |
| White Oak Plantation/ Lee Forest | Johnston County | $ 3.95 |
| Winston Plantation | Johnston County | $ 3.95 |
| Winston Point | Johnston County | $ 3.95 |
| Willowbrook | Johnston County | $ 3.95 |
| Woodrun | Montgomery County | $ 3.19 |
| Yorktown | City of Winston Salem | $ 6.38 |
| Zemosa Acres | City of Concord | $ 5.52 |
| Carolina Trace | City of Sanford | $ 2.21 |

## SEWER RATES AND CHARGES

Monthly Metered Sewer Service:

| | | |
|---|---|---|
| Base Facility Charges: | | |
| Residential (zero usage) | $ | 66.24 |
| Commercial (based on water meter size and zero usage) | | |
| <1" meter | $ | 66.24 |
| 1" meter | $ | 165.60 |
| 1 1/2" meter | $ | 331.20 |
| 2" meter | $ | 529.92 |
| 3" meter | $ | 993.60 |
| 4" meter | $ | 1,656.00 |
| 6" meter | $ | 3,312.00 |
| 8" meter | $ | 5,299.20 |
| Usage charge, per 1,000 gallons | $ | 20.14 |

Monthly Flat Rate Service, per SFE or REU:

| | | |
|---|---|---|
| Multi-residential customers who are served by a master meter shall be charged the flat rate per unit. | $ | 124.47 |

Availability Rate: (Monthly rate, billed semi-annually)

| | | |
|---|---|---|
| Applicable only to property owners in Fairfield Sapphire Valley Service Area | $ | 15.01 |

Availability Rate: (Monthly rate, billed quarterly)

| | | |
|---|---|---|
| Applicable only to property owners in Connestee Falls | $ | 8.46 |

Monthly Metered Purchased Sewer Service:

| | | |
|---|---|---|
| Collection Charge (Residential and Commercial | $ | 47.14 |

Usage charge, per 1,000 gallons (based on water consumption)

| Service Area | Bulk Provider | | |
|---|---|---|---|
| White Oak Plantation/ Lee Forest | Johnston County | $ | 8.28 |
| Kings Grant | Two Rivers Utilities | $ | 5.21 |
| College Park | Town of Dallas | $ | 17.77 |

Mt Carmel Subdivision Service Area

| | | |
|---|---|---|
| Monthly Base Facility Charge | $ | 8.95 |
| Monthly Collection Charge (Residential and Commercial) | $ | 47.14 |
| Usage Charge, per 1,000 gallons (based on metered water from water provider) | $ | 7.77 |

Regalwood and White Oak Estates Subdivision Service Area:

Monthly Flat Rate Sewer Service:

| | | |
|---|---|---|
| Residential Service | $ | 124.47 |
| White Oak High School | $ | 4,002.60 |
| Child Castle Daycare | $ | 513.13 |
| Pantry | $ | 281.37 |

Fairfield Mountain/Apple Valley (a.k.a. Rumbling Bald) Service Area and Highland Shores Subdivision

| | |
|---|---|
| Monthly Sewer Rates: | |
| Residential | |
| Collection charge per dwelling unit | $ 47.14 |
| Treatment charge per dwelling unit | $ 90.00 |
| Total monthly flat rate per dwelling unit | $ 137.14 |
| | |
| Commercial and Other: | |
| Minimum monthly collection and treatment charge | $ 137.14 |
| | |
| Monthly collection and treatment charge for customers who do not take water service | $ 137.14 |
| | |
| Treatment charge per dwelling unit | |
| Small (less than 2,500 gallons per month) | $ 103.00 |
| Medium (2,500 to 10,000 gallons per month) | $ 182.00 |
| Large (over 10,000 gallons per month) | $ 286.00 |
| | |
| Collection Charge per 1,000 gallons | $ 13.93 |

The Ridges at Mountain Harbour

| | |
|---|---|
| Monthly Sewer Rates: | |
| Collection charge (Residential and Commercial) | $ 47.14 |
| | |
| Treatment charge (Residential and Commercial) | |
| <1" meter | $ 16.95 |
| 2" meter | $ 135.60 |

## WATER AND SEWER INVESTMENT PLAN:

The Commission has approved the Company's request, pursuant to G.S.§ 62-133.1B and Commission Rule R1-17A, for authority to implement a Water and Sewer Investment Plan (WSIP) rate-making mechanism. This rate-making mechanism allows the Company to recover the reasonably known and measurable capital investments and anticipated reasonable and prudent expenses approved under the WSIP. The Commission has approved a three-year plan, which includes 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 shall not, on an annual basis for years two and three

of the WSIP, exceed five percent of the utility's North Carolina retail jurisdictional gross 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. Additional information regarding the WSIP is contained in the Commission's Order and can be accessed from the Commission's website at www.ncuc.net, under Docket Information, using the Docket Search feature for docket number "W-354 Sub 450".

ISSUED BY ORDER OF THE COMMISSION

This the 30th day of June, 2026.