BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

FAIR VALUE ENGINEERING ASSESSMENT FORM

## INSTRUCTIONS

If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable". Additional information that is relevant to the application that is not listed on this form should be included as an attachment or addendum

Note: This form is only to be used in conjunction with Form FV1, Application for Determination of Fair Value of Utility Assets Pursuant to G.S. 62-133.1A.

## SELLER-LOCAL GOVERNMENT UTILITY

1. Trade name used for utility business: _____

2. Name of owner (if different from trade name): _____

3. Description of the water system_____

4. County where located_____

5. Description of the sewer system_____

6. County where located_____

7. Number of current customers: water _____ sewer: _____

## ENGINEER INFORMATION

1. Name of Engineer Providing Utility Assessment : _____
2. Engineer Background Information:
   License No. and Issuing Authority: _____
   Education: _____
   Has Engineer been subject to Discipline by any State Licensing Authority (if yes, provide date and cause of discipline): _____

_____

3. Engineer's experience with engineering design, planning, construction, renovations, replacements and operations of water and wastewater utility systems: _____

_____
_____
_____
_____
_____
_____

ASSESSMENT OF TANGIBLE ASSETS OF SYSTEM TO BE ACQUIRED

**Water Utility System Information**

**Distribution System Information**

1. Water Mains (Provide the following information for each section of water mains):

a. Year installed: _____

b. Pipe diameter: _____

c. Length of main: _____

d. Type of pipe material (i.e., asbestos cement, galvanized, PVC Class 160, PVC SDR 21, C-900, ductile iron, other):

_____
_____
_____

e. Copy of Department of Environmental Quality (DEQ) approval for each section, if available:

_____

f. Describe the condition of the water distribution system valves:

_____
_____

g. Describe condition of service lines, including materials:

_____
_____

h. Describe the condition of the fire hydrants in each section:

_____
_____

2. Water Meters

a. Type of meters (i.e., manual read, AMR, AMI, other):
_____
_____

b. Average age of residential water meters: _____

3. Customer growth – number of customers added or lost during last 3 years in each of the following categories:

a. Residential: _____

b. Commercial: _____

c. Industrial: _____

d. Governmental, including schools: _____

4. Water Storage:

a. Describe each water storage facility by type and capacity (i.e. hydropneumatic, ground storage, elevated storage, other):
_____
_____

b. Provide the year each storage facility placed in service:
_____
_____

c. Provide the most recent year each storage facility was recoated on interior and exterior:
_____
_____
_____

5. Water Production – Water Wells

a. Provide number of water supply wells in service:

_____

b. For each water supply well in service provide the year first placed in service:

_____

c. Provide for each water supply well the original 24 hour well drawdown test, if available.

d. Provide the original DEQ approval for each supply well.

_____
_____

e. Provide the three most recent inorganic analyses for each well.

_____
_____

f. Provide the average gallons per minute pumped from each well for the most recent 24 months:

_____
_____

g. Environmental Compliance:

(i) Does any well exceed the EPA or State of North Carolina maximum contaminant level for a primary drinking water contaminant?

_____
_____

(ii) If yes, please provide the three most recent analyses for that primary contaminant from that well.

_____
_____

h. Provide a description of the installed treatment for each primary contamination MCL:

_____

i. Does the water system exceed the EPA action levels for lead and/or copper?

_____

j. Provide a summary of the condition of each well house, including controls and valve banks and needed renovations._____

k. Describe the water treatment of each well, including filters and the need for replacements or renovations as necessary._____

6. Surface Water Treatment Plant

a. Year of original construction_____

b. Capacity of "original plant"_____

c. Describe all treatment stages, including advanced treatment based on ultrafiltration technology, if applicable. _____

d. Type of structure (i. e., steel, concrete, other)_____

e. History of Expansion

(i) Year of each expansion, if any_____

(ii) Additional capacity of each expansion_____

(iii) Treatment stages of each expansion_____

(iv)Type of structure of each expansion (i.e., steel, concrete, other)_____

f. Provide copies of DEQ construction permits for the original construction and all expansions, if any._____

g. Provide copy of the most recent DEQ permit.

h. Provide copies of the two most recent DEQ inspection reports.

i. Provide copies of all DEQ issued Notices of Violation (NOV) for the last five years, if any._____

j. Provide copies of all the selling government entity's responses to each DEQ issued NOV the last five years, if any._____

k. Provide the monthly average gallons per day produced by the surface treatment plant for each of the last 36 months_____

l. Provide the non-revenue water percentage for each of the last three years (water produced at the surface water treatment plant less water billed to customers, divided the water produced)_____

m. Describe in detail renovations and remediations, if any, performed by the selling government entity, the most recent ten years_____

7. Water and General Upgrading and Renovations – Costs

Provide the estimated cost of each water system upgrades/renovations necessary during the first five years_____

8. Violations – Water System

a. Provide all water system NOVs received from DEQ the last five years.

_____
_____

b. Provide all the selling government entity's written responses to the NOVs received the last five years.

_____
_____

**Wastewater System**

**Collection System**

1. For each section of gravity collection mains provide:

a. Year installed_____

b. Pipe diameter_____

c. Length of main_____

d. Type material – i.e., clay pipe, steel pipe, concrete pipe, HDPE pipe, PVC Class 160, PVC SDR 21, C-900, ductile iron, lined ductile iron, other

_____

e. Copy of DEQ construction permit for each section, if available.

f. Number of manholes_____

g. Condition of manholes_____

h. Service line materials_____

i. Last time section camera evaluated_____

2. For each section of collection force mains, provide:

a. Year installed_____

b. Pipe diameter_____

c. Length of main_____

d. Type material – i.e. PVC SDR 21, C-900, ductile iron, lined ductile iron, other

_____

e. Copy of DEQ construction permit for each section, if available.

3. Wastewater Lift Stations – For each provide:

a. Year installed_____

b. Capacity of installed pumps_____

c. Permitted capacity of lift station_____

d. Control system_____

e. Alarm System_____

f. Description of recent renovations, if any._____

g. Material of wet well _____

h. Provide summary of the conditions of each lift station

_____

4. Wastewater Treatment Plant, provide the following:

a. Year of original construction_____

b. Capacity of “original plant”_____

c. Type Treatment_____

d. Type structure i.e., steel, concrete, other_____

e. (i) Year of each expansion, if any (ii) Additional capacity of each expansion (iii) Type treatment of each expansion (iv) Type of structure each expansion i.e.

steel, concrete,
other_____

f. Provide copies of DEQ construction permits for the original construction and all expansions, if any.

g. Provide copy of most recent NPDES Permit, if applicable.

h. If effluent land application, provide copy of most recent land application permit.

i. If land application, provide the permitted capacity of the installed irrigation system or infiltration system.

j. Does the seller own or have perpetual easements or leases for all of the effluent irrigation/infiltration areas.
_____

k. If an easement or lease, provide a copy of the recorded document(s).

l. Provide copies of the monthly DMRs (NPDES Permit) or NDMR (land application) for the most recent 36 months.

m. Provide copy of the most recent wastewater treatment plant permit, including all required monitoring parameters

n. Provide copies of the two most recent DEQ inspection reports for the wastewater treatment plant.

5. Wastewater, general information

a. Provide copies of all DEQ issued NOVs for the last five years, if any.

b. Provide copies of all the selling government entity's responses to each of the DEQ issued NOV the last five years, if any.

c. Provide the average total gallons per day sold to metered water customers by the water utility provider for each of the last three years.

d. Provide the infiltration percentage for each of the last three years (influent wastewater to wastewater treatment plant less metered water sold, divided by the metered water
sold)_____

e. Describe in detail collection system infiltration remediation if any, performed by the selling government entity the most recent ten
years_____

f. Provide the monthly number of wastewater customers the most recent 36 months:

(i) Residential_____

(ii) Commercial_____

(iii) Industrial_____

(iv) Governmental, including schools_____