AN ACT TO EXPEDITE TRANSFER OF WATER OR WASTEWATER PUBLIC UTILITIES.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 62-111 is amended by adding a new subsection to read:

"(f) The following provisions apply to an application for the grant or transfer of a certificate of public convenience and necessity for a water or wastewater system:

(1) Within 30 days of the filing of such application, the Commission shall (i) determine whether or not the application is complete and notify the applicant accordingly and (ii) if the Commission determines an application is incomplete, specify all such deficiencies in the notice to the applicant. The applicant may file an amended application or supplemental information to cure the deficiencies identified by the Commission for the Commission's review. If the Commission fails to issue a notice as to whether or not the application is complete within the requisite 30-day period, the application shall be deemed complete. Within 300 days of the filing of a completed application, the Commission shall issue an order approving the application upon finding that the proposed grant or transfer, including adoption of existing or proposed rates for the transferring utility, is in the public interest, will not adversely affect service to the public under any existing franchise, and the person acquiring said franchise or certificate of public convenience and necessity has the technical, managerial, and financial capabilities necessary to provide public utility service to the public. The requirements of this subdivision shall apply to any applications for grants or transfers of a water or wastewater system sought as a result of a proposed sale of a privately owned water or wastewater system to a public or private entity, except with respect to those applications governed by subdivision (2) of this subsection.

(2) Within 30 days of the filing of such application, the Commission shall (i) determine whether or not the application is complete and notify the applicant accordingly and (ii) if the Commission determines an application is incomplete, specify all such deficiencies in the notice to the applicant. The applicant may file an amended application or supplemental information to cure the deficiencies identified by the Commission for the Commission's review. If the Commission fails to issue a notice as to whether or not the application is complete within the requisite 30-day period, the application shall be deemed complete. Within 210 days of the filing of a completed application, the Commission shall issue an order approving the application upon finding that the proposed grant or transfer, including adoption of existing or proposed rates for the transferring utility, is in the public interest, will not adversely affect service to the public under any existing franchise, and the person acquiring said franchise or certificate of public convenience and necessity has the technical, managerial, and financial capabilities necessary to
provide public utility service to the public. The requirements of this subdivision shall apply to any applications for grants or transfers of a water or wastewater system sought as a result of a proposed sale of a privately owned water or wastewater system to a public or private entity, where the water or wastewater system has an unresolved notice of violation issued by the Department of Environmental Quality within the 24-month period immediately preceding the date of application.

(3) Prior to submittal of an application, and within 90 days of entering into an offer to purchase agreement for a water or wastewater system, a proposed purchaser shall have a pre-application conference with the Commission and Public Staff to clarify application requirements, information on assets that must be provided, and associated matters.

(4) An applicant for the grant or transfer of a certificate of public convenience and necessity for a water or wastewater system may waive any deadline for determination of an application’s completeness, or issuance of an order approving an application, set forth in subdivision (1) or (2) of this subsection.

SECTION 1.(b) The following provisions apply to applications for the grant or transfer of a certificate of public convenience and necessity for a water or wastewater system pending on the date this act becomes law:

(1) Notwithstanding the requirements of G.S. 62-111(f), as enacted by Section 1(a) of this act, the Commission shall:
   a. Within 30 days of that date, determine whether the application is complete and specify any deficiencies in a notice to the applicant. The applicant may file an amended application or supplemental information to cure any deficiencies identified by the Commission for the Commission's review. If the Commission fails to issue a notice as to whether or not the application is complete within the requisite 30-day period, the application shall be deemed complete.
   b. Issue an order approving the application no later than 180 days after the date this act becomes law, or the filing of a completed application, whichever is later, if the Commission finds that the proposed grant or transfer, including adoption of existing or proposed rates for the transferring utility, is in the public interest, will not adversely affect service to the public under any existing franchise, and the person acquiring said franchise or certificate of public convenience and necessity has the technical, managerial, and financial capabilities necessary to provide public utility service to the public.

(2) An applicant for the grant or transfer of a certificate of public convenience and necessity for a water or wastewater system may waive any deadline for determination of an application’s completeness, or issuance of an order approving an application, set forth in subdivision (1) or (2) of this subsection.

(3) The requirements of this section shall only apply to grants or transfers sought as a result of a proposed sale of a privately owned water or wastewater system to a public or private entity.
SECTION 2. This act is effective when it becomes law. G.S. 62-111(f), as enacted by Section 1(a) of this act, applies to applications for grant or transfer of certificates of public convenience and necessity filed on or after that date.

In the General Assembly read three times and ratified this the 21st day of June, 2023.

s/ Phil Berger
President Pro Tempore of the Senate

s/ Destin Hall
Presiding Officer of the House of Representatives

s/ Roy Cooper
Governor

Approved 8:59 a.m. this 30th day of June, 2023