

June 30

CONTINUING  
DISCLOSURE  
INFORMATION

2019

FAYETTEVILLE PUBLIC WORKS  
COMMISSION

Series 2014	CUSIPs	312805HM9	312805HS6	312805HX5	312805JC9
		312805HN7	312805HT4	312805HY3	312805JD7
		312805HP2	312805HU1	312805HZ0	312805JE5
		312805HQ0	312805HV9	312805JA3	312805JF2
		312805HR8	312805HW7	312805JB1	312805JG0
Series 2016	CUSIPs	312805JL9	312805JS4	312805JY1	312805KE3
		312805JM7	312805JT2	312805JZ8	312805KF0
		312805JN5	312805JU9	312805KA1	312805KG8
		312805JP0	312805JV7	312805KB9	312805KH6
		312805JQ8	312805JW5	312805KC7	
		312805JR6	312805JX3	312805KD5	
Series 2018	CUSIPs	312805KJ2	312805KR4	312805KY9	312805LF9
		312805KK9	312805KS2	312805KZ6	312805LJ1
		312805KL7	312805KT0	312805LA0	
		312805KM5	312805KU7	312805LB8	
		312805KN3	312805KV5	312805LC6	
		312805KP8	312805KW3	312805LD4	
		312805KQ6	312805KX1	312805LE2	

FAYETTEVILLE PUBLIC WORKS COMMISSION

Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019

HISTORICAL OPERATING RESULTS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Operating Revenues</b>					
Electric Service Charges <sup>1</sup>	\$196,702,980	\$199,838,257	\$201,764,795	\$212,067,185	\$213,691,020
Wholesale Power Cost Adjustment <sup>2</sup>	3,831,721	29,917	(1,118,079)	(3,769,557)	222
Water Service Charges <sup>3,4</sup>	34,172,006	36,336,537	39,266,525	41,862,403	44,732,856
Wastewater Service Charges <sup>4,5</sup>	39,038,289	40,752,871	43,743,794	46,362,886	49,018,802
Other Operating Revenue <sup>6</sup>	26,739,382	25,333,395	29,874,843	28,631,548	30,737,925
<b>Total Operating Revenues</b>	<b>\$300,484,378</b>	<b>\$302,290,977</b>	<b>\$313,531,878</b>	<b>\$325,154,465</b>	<b>\$338,180,825</b>
<b>Operating Expenses Before Depreciation and Amortization</b>					
Electric Power Supply <sup>7</sup>	\$157,794,014	\$142,806,084	\$140,684,924	\$146,174,601	\$144,356,518
Electric PS True-Ups/Coal Ash <sup>8</sup>	(545,618)	(1,720,089)	1,085,130	9,387,686	18,900,090
Electric System Other	29,805,085	33,827,689	32,025,572	31,545,202	37,790,736
Water System	22,058,248	22,544,956	23,151,897	22,337,254	25,490,838
Wastewater System	22,663,889	23,390,984	24,261,051	23,827,766	27,961,230
<b>Total Operating Expenses Before Depreciation and Amortization</b>	<b>\$231,775,618</b>	<b>\$220,849,624</b>	<b>\$221,208,574</b>	<b>\$233,272,509</b>	<b>\$254,499,410</b>
<b>Operating Income Before Depreciation and Amortization</b>	<b>\$68,708,760</b>	<b>\$81,441,353</b>	<b>\$92,323,304</b>	<b>\$91,881,956</b>	<b>\$83,681,415</b>
Depreciation	\$(36,161,401)	\$(36,907,044)	\$(38,886,043)	\$(40,454,302)	\$(41,932,829)
Amortization	(661,958)	(677,796)	(677,796)	-	-
<b>Operating Income</b>	<b>\$31,885,401</b>	<b>\$43,856,513</b>	<b>\$52,759,465</b>	<b>\$51,427,654</b>	<b>\$41,748,586</b>
<b>Non-operating Revenues<sup>9</sup></b>	<b>\$1,490,911</b>	<b>\$2,242,563</b>	<b>\$2,049,761</b>	<b>\$1,588,275</b>	<b>\$6,178,981</b>
<b>Non-operating Expenses<sup>10</sup></b>	<b>(10,048,384)</b>	<b>(17,612,137)</b>	<b>(13,741,510)</b>	<b>(9,246,921)</b>	<b>(10,141,749)</b>
<b>Income before Contributions and Operating Transfers</b>	<b>\$23,327,928</b>	<b>\$28,486,939</b>	<b>\$41,067,716</b>	<b>\$43,769,008</b>	<b>\$37,785,818</b>
Contributions	\$7,804,945	\$10,397,136	\$8,283,525	\$6,432,684	\$21,439,003
Special Item	-	(7,148,131)	1,593,935	-	-
Other Operating Transfers	-	(54,986)	(119,964)	(8,654)	(774,764)
City Intergovernmental Revenues <sup>11</sup>	-	57,531	-	4,456,255	2,897,079
City Operating Transfers (Out) <sup>12</sup>	-	-	(1,200,000)	(1,200,000)	(1,200,000)
Payment in Lieu of Taxes <sup>12</sup>	(9,281,861)	(9,487,800)	(9,966,765)	(10,428,117)	(10,938,256)
<b>Change in Net Position<sup>13</sup></b>	<b>\$21,851,012</b>	<b>\$22,250,689</b>	<b>\$39,658,447</b>	<b>\$43,021,176</b>	<b>\$49,208,880</b>
<b>Income Available for Debt Service</b>					
Change in Net Position	\$21,851,012	\$22,250,689	\$39,658,447	\$43,021,176	\$49,208,880
Less: Contributions and Special Item	(7,804,945)	(3,249,005)	(9,877,460)	(6,432,684)	(21,439,003)
Gain/Loss on Investment Valuation	7,205	(77,712)	598,868	751,634	(1,866,789)
Plus: Loss on Sale of Fixed Assets	1,142,632	8,877,903	4,719,440	1,044,718	1,054,780
Depreciation	36,161,401	36,907,044	38,886,043	40,454,302	41,932,829
Interest Expense	8,227,011	7,989,038	8,950,190	9,211,341	9,738,164
Amortization	661,958	677,796	677,796	-	-
Operating Transfers Out	8,931,267	9,430,269	11,166,765	7,474,414	9,592,499
Facilities Investment Fees	1,095,675	1,439,532	1,089,363	942,846	1,147,463
Assessments	423,645	389,046	314,141	194,160	104,124
<b>Income Available for Debt Service</b>	<b>\$70,696,861</b>	<b>\$84,634,600</b>	<b>\$96,183,593</b>	<b>\$96,661,907</b>	<b>\$89,472,947</b>

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<b>Revenue Bond Debt Service Coverage</b>					
Revenue Bond Debt Service	\$18,132,922	\$21,268,038	\$26,404,506	\$27,139,900	\$26,570,548
<b>Revenue Bond Debt Service Coverage Ratio</b>	<b>3.90</b>	<b>3.98</b>	<b>3.64</b>	<b>3.56</b>	<b>3.37</b>
<b>Income Available for Other Debt Service</b>	<b>\$52,563,939</b>	<b>\$63,366,562</b>	<b>\$69,779,087</b>	<b>\$69,522,007</b>	<b>\$62,902,399</b>
<b>Other System Debt Service</b>					
GO System Debt Service	\$765,655	\$631,398	\$417,867	\$203,241	\$196,220
Subordinated Indebtedness Debt Service	2,208,571	2,264,826	1,436,126	1,444,566	1,601,340
<b>Total Other System Debt Service</b>	<b>\$2,974,226</b>	<b>\$2,896,224</b>	<b>\$1,853,993</b>	<b>\$1,647,807</b>	<b>\$1,797,560</b>
<b>Total Indebtedness Coverage</b>					
Annual System Debt Service	\$21,107,148	\$24,164,262	\$28,258,499	\$28,787,707	\$28,368,108
<b>Annual System Debt Service Coverage Ratio</b>	<b>3.35</b>	<b>3.50</b>	<b>3.40</b>	<b>3.36</b>	<b>3.15</b>

Footnotes

- <sup>1</sup> Includes annual revenue increases from rates in fiscal years 2015 through 2019 of 2.66%, 3.97%, 0%, 2.58% and 2.7%, respectively.
- <sup>2</sup> In February 2017, the PWC approved a wholesale power cost adjustment credit to customers over a 12-month period beginning April 1, 2017. Fiscal year 2017 credits totaled \$1.1 million and fiscal year 2018 credits totaled \$3.8 million.
- <sup>3</sup> Includes annual revenue increases from rates in fiscal years 2015 through 2019 of 3.87%, 7%, 7%, 9.2% and 8.6% respectively.
- <sup>4</sup> Includes estimated reduction in fiscal year 2016 and forward for changing Hope Mills customers to lower inside City rates.
- <sup>5</sup> Includes annual revenue increases from rates in fiscal years 2015 through 2019 of 2.4%, 5%, 5%, 8.5% and 3.9% respectively.
- <sup>6</sup> Includes the BWGP power sales agreement.
- <sup>7</sup> The purchase power increase from fiscal year 2017 to fiscal year 2018 is mostly weather driven with sales exceeding prior fiscal year mainly in months of January and June. Fiscal year 2018 DEP demand prices continue to rise while energy prices remain stable following a price reduction in fiscal year 2017.
- <sup>8</sup> Fiscal years 2015 through 2017 include DEP true-ups as charges/credits. Fiscal year 2018 is the first year for DEP coal ash charges.
- <sup>9</sup> Includes interest earned on investments and gain/loss on disposal of assets.
- <sup>10</sup> Includes interest expense and other financing costs.
- <sup>11</sup> Principal and interest payments collected by the PWC for utility assessments.
- <sup>12</sup> Includes transfers to the City per the City Transfer Agreement and amended City Charter in fiscal year 2017 and thereafter.
- <sup>13</sup> Does not include prior period adjustments of \$4,042,470 in 2015 as a result of the GASB Statement No. 68 effective July 1, 2014 for changes to accounting and reporting of pensions, and \$17,298,466 in 2018 for GASB 75 for changes to accounting and reporting post-employment benefits. These adjustments do not affect Income Available for Debt Service or Debt Service Coverage.

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

**ELECTRIC SYSTEM**

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**Electric System Requirements  
(excluding sales for resale)**

<b>Fiscal Year Ended June 30,</b>	<b>Peak Demand (MW)</b>	<b>Total System Requirements (MWh)</b>	<b>Total System Requirements % Change</b>
2015	490.3	2,189,247	-1.00%
2016	424.0	2,113,100	-3.48
2017	453.0	2,101,728	-0.54
2018	461.4	2,172,168	3.35
2019	404.0	2,145,056	-1.25

**Electric System Customers<sup>(1)</sup>  
Fiscal Year Ended June 30,**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Residential	72,674	73,508	73,064	73,230	73,662
General Service <sup>(2)</sup>	8,873	8,936	8,983	9,082	9,248
Large Commercial/Industrial	<u>28</u>	<u>28</u>	<u>27</u>	<u>28</u>	<u>27</u>
Total	<u>81,575</u>	<u>82,472</u>	<u>82,074</u>	<u>82,340</u>	<u>82,937</u>

<sup>(1)</sup> Excludes Unmetered Area Lights.

<sup>(2)</sup> Includes the City.

**Electric System Sales (MWh)<sup>(1)</sup>  
Fiscal Year Ended June 30,**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Residential	912,998	870,089	871,262	913,766	904,265
General Service <sup>(2)</sup>	649,698	661,781	654,354	652,144	667,180
Large Commercial/Industrial	411,868	416,246	395,653	397,417	353,033
Street and Area Lights	<u>37,092</u>	<u>33,878</u>	<u>29,346</u>	<u>23,924</u>	<u>23,049</u>
Total	<u>2,011,656</u>	<u>1,981,994</u>	<u>1,950,615</u>	<u>1,987,251</u>	<u>1,947,527</u>

<sup>(1)</sup> Excludes PWC's count and usage.

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

**Electric System Customers and Sales<sup>(1)</sup>  
Fiscal Year Ended June 30, 2019**

	<b>Number of Customers</b>		
	<b>Inside City</b>	<b>Outside City</b>	<b>Total</b>
Residential	63,244	10,418	73,662
General Service	8,293	955	9,248
Large Commercial/Industrial	16	11	27
<b>Total</b>	<b>71,553</b>	<b>11,384</b>	<b>82,937</b>

  

	<b>MWh Sales</b>		
	<b>Inside City</b>	<b>Outside City</b>	<b>Total</b>
Residential	754,742	149,523	904,265
General Service	605,795	61,385	667,180
Large Commercial/Industrial	102,630	250,403	353,033
Street and Area Lights	21,459	1,590	23,049
<b>Total</b>	<b>1,484,626</b>	<b>462,901</b>	<b>1,947,527</b>

<sup>(1)</sup> Excludes the PWC's count and usage.

**Largest Electric Customers  
Fiscal Year Ended June 30, 2019**

<b><u>Customer</u></b>	<b><u>Industry</u></b>
Cape Fear Valley Medical Center	Healthcare
Cargill, Inc.	Agriculture
Cumberland County Coliseum	Government
Fayetteville State University	Higher Education
Goodyear Tire & Rubber Company	Tires
Law Enforcement Center	Government
Mann Hummel Pur Filt (Purolator)	Auto Filters
Momentive Specialty Chemicals (Hexion)	Chemicals
Nitta Gelatin	Food Processing
VA Hospital	Healthcare

As of June 30, 2019, these customers represented MWh sales of 334,155 and revenue of \$23.8 million. The aggregate sum of the ten electric customers' revenues received compared to the total electric sales revenue is approximately 11%. No individual customer accounted for more than 5% of total electric sales.

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

**Current Monthly Electric Rates<sup>(1)</sup>**

<u>Residential</u>	Basic Facility <u>Charge</u> \$20.00	On Peak Energy Charge <u>(kWh)</u> \$0.13000	Off Peak Energy Charge <u>(kWh)</u> \$0.09100	
<u>General Service</u>	Basic Facility <u>Charge</u> \$37.00	On Peak Energy Charge <u>(kWh)</u> \$0.05000	Customer Sales Demand Charge <u>(kW)</u> \$14.75	
<u>Industrial</u>	Basic Facility <u>Charge</u> \$290.00	On Peak Energy Charge <u>(kWh)</u> \$0.05200	CP Demand Charge <u>(kW)</u> \$19.63	Customer Sales Demand Charge <u>(kW)</u> \$2.00

<sup>(1)</sup> Selected rates are standard rates for these classes. Other rate schedules may be applicable based on individual circumstances.

**Electric System Rate Changes and Historical Residential Bills**

Fiscal Year Ended June 30,	End of Year Base (\$ per 1000 kWh)	Average Bill	Percentage Increase (Decrease)
2015	\$112.50	\$110.85	4.7 %
2016	112.50	112.50	1.5
2017	115.40	112.30	-0.2
2018	118.50	111.45	-0.8
2019	117.63	118.64	6.45

FAYETTEVILLE PUBLIC WORKS COMMISSION

Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019

Comparison of Monthly Electric Bills as of June 30, 2019

	<u>Residential<sup>(1)(7)</sup></u> <u>1,000 kWh</u>	<u>Commercial</u> <u>8,000 kWh<sup>(2)</sup></u>	<u>Industrial</u> <u>1,050,000 kWh<sup>(3)(8)</sup></u>
Lexington	\$132.93	\$1,378.60	\$62,939.00
South River EMC <sup>(4)</sup>	131.75	1,135.52	60,605.00
Duke Energy Progress <sup>(4)</sup>	127.71	1,153.80	81,034.00
Rocky Mount	123.08	1,233.84	80,310.00
Lumbee River <sup>(4)</sup>	119.65	1,173.62	66,760.00
<b>PWC<sup>(5)(6)</sup></b>	<b>117.80</b>	<b>1,197.50</b>	<b>84,391.00</b>
Greenville	115.14	1,234.40	76,317.00
Duke Energy Carolinas	101.18	893.09	59,540.00

<sup>(1)</sup> Excludes adjustments or Riders.

<sup>(2)</sup> Assumes 35 kW Demand-Commercial.

<sup>(3)</sup> Assumes 1,500 kW Demand-Industrial.

<sup>(4)</sup> Serves a portion of the PWC's service area.

<sup>(5)</sup> The PWC's Commercial rates are published as "Medium Power Service" rate.

<sup>(6)</sup> The PWC's Industrial rates are published as "Large Power Service-CP" rate.

<sup>(7)</sup> Time of Use Rate calculated using 17% on peak energy.

<sup>(8)</sup> CP was calculated as 90% of customer's total monthly peak.

Source: Calculated by the PWC from data made available by the other utility providers.

**WATER SYSTEM**

**Water System Usage**  
(gallons in millions)

<u>Fiscal Year</u> <u>Ended June</u> <u>30,</u>	<u>Treatment</u> <u>Capacity</u> <u>(MGD)<sup>(1)</sup></u>	<u>Average</u> <u>Usage (MGD)</u>	<u>Peak Usage</u> <u>(MGD)</u>	<u>Average</u> <u>Usage %</u> <u>Change</u>
2015	57.5	25.0	35.6	0.81%
2016	57.5	25.0	34.7	-0.04
2017	57.5	24.6	35.8	-1.60
2018	57.5	23.9	33.0	-2.85
2019	57.5	23.4	34.6	-2.10

<sup>(1)</sup> Consists of 50 MGD of rated capacity and 7.5 MGD of high rated capacity.

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

**Water System Customers  
Fiscal Year Ended June 30,**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Residential	79,949	81,179	81,462	82,052	82,394
Commercial	6,417	6,464	6,500	6,519	6,572
Large Commercial/Industrial	20	21	21	20	20
Wholesale and City	<u>11</u>	<u>12</u>	<u>12</u>	<u>12</u>	<u>12</u>
Total	<u>86,397</u>	<u>87,676</u>	<u>87,995</u>	<u>88,603</u>	<u>88,998</u>

**Water System Usage<sup>(1)</sup>  
(gallons in millions)  
Fiscal Year Ended June 30,**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Residential	4,002	3,963	3,872	3,836	3,790
Commercial	1,827	1,863	1,903	1,927	1,907
Large Commercial/Industrial	914	985	1,007	977	995
Wholesale and City	<u>1,269</u>	<u>1,341</u>	<u>1,299</u>	<u>1,292</u>	<u>1,290</u>
Total	<u>8,012</u>	<u>8,152</u>	<u>8,081</u>	<u>8,032</u>	<u>7,982</u>

<sup>(1)</sup> Excludes the PWC's count and usage.



**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

**Water System Customers and Usage  
Fiscal Year Ended June 30, 2019<sup>(1)</sup>**

	<b>Customers</b>		
	<b>Inside</b>	<b>Outside</b>	<b>Total</b>
	<b>City</b>	<b>City</b>	
Residential	67,568	14,826	82,394
Commercial	5,981	591	6,572
Large Users	12	8	20
Wholesale and City	<u>1</u>	<u>11</u>	<u>12</u>
<b>Total</b>	<b><u>73,562</u></b>	<b><u>15,436</u></b>	<b><u>88,998</u></b>

  

	<b>Usage (gallons in millions)</b>		
	<b>Inside</b>	<b>Outside</b>	<b>Total</b>
	<b>City</b>	<b>City</b>	
Residential	3,067	723	3,790
Commercial	1,731	176	1,907
Large Users	212	783	995
Wholesale and City	<u>66</u>	<u>1,224</u>	<u>1,290</u>
<b>Total</b>	<b><u>5,076</u></b>	<b><u>2,906</u></b>	<b><u>7,982</u></b>

<sup>(1)</sup> Excludes the PWC's count and usage.

**Largest Water Customers  
Fiscal Year Ended June 30, 2019**

<b><u>Customer</u></b>	<b><u>Industry</u></b>
Aqua Water	Utilities
Cape Fear Valley Medical Center	Healthcare
Cargill, Inc.	Agriculture
Carolina By Products	Animal Feed
DAK Resins	Food and Drug Packaging
Fort Bragg	Government
Goodyear Tire & Rubber Company	Tires
Hoke County	Local Government
Momentive Specialty Chemicals (Hexion)	Chemicals
Town of Spring Lake	Local Government

As of June 30, 2019, the ten largest customers represented sales of 2.0 billion gallons and revenue of \$5.3 million, which represents almost 13% of total water sales revenue. No individual customer comprises more than 2% of total water sales.

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

**Existing Monthly Water Rates  
(Mgal = 1,000 gallons)**

<b>Monthly Flow</b>	<b>Rate Per Mgal</b>	
	<b>Inside City</b>	<b>Outside City</b>
Residential		
1-2 Mgal	\$2.58	\$4.52
3-5 Mgal	3.07	5.37
6-10 Mgal	4.17	7.30
> 10 Mgal	4.99	8.73
Commercial	3.10	5.43
Large User	2.59	2.59

**Monthly Charge**

<b>Size of Meter</b>	<b>Monthly Charge</b>		<b>Utility Line</b>
	<b>Inside City</b>	<b>Outside City</b>	<b>Relocation Rider</b>
5/8" and 3/4"	\$14.50	\$25.40	\$2.00
1"	23.10	40.40	3.40
1 1/2"	38.30	67.00	6.60
2"	63.70	111.50	10.60
2 1/2"	96.00	168.00	14.80
3"	149.10	250.90	21.40
4"	248.70	435.20	33.40
6"	444.00	777.00	66.60
8"	732.10	1,281.20	106.60
10"	1,335.80	2,337.70	280.00
12"	2,270.00	3,972.50	353.40

**Residential Historical Percentage Monthly Bill Changes<sup>(1)</sup>**

<b>Fiscal Year Ended June 30, Date</b>	<b>Inside City</b>		<b>Outside City</b>	
	<b>Bill Amount</b>	<b>Percentage Increase (Decrease)</b>	<b>Bill Amount</b>	<b>Percentage Increase (Decrease)</b>
2015	\$25.24	6.50%	\$40.38	10.00%
2016	26.80	6.18	44.23	9.53
2017	28.47	6.23	48.40	9.43
2018	30.59	7.45	53.53	10.60
2019	33.04	8.01	57.85	8.07

<sup>(1)</sup> Assumes usage of 6,000 gallons per month and includes basic facility charges for meter sizes less than 1". Base rate adjustments occurred for fiscal years 2015, 2016 and 2019 in May and for fiscal years 2017 and 2018 in April.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019

Comparison of Monthly Water Bills as of 6/30/19

	Residential 6,000 Gallons <sup>(1)</sup>	Commercial 175,000 Gallons <sup>(2)</sup>	Industrial 1,500,000 Gallons <sup>(3)</sup>
Wilmington	\$37.90	\$813.74	\$4,616.05
Greenville	36.62	737.21	5,769.80
Concord	36.20	961.41	6,042.85
High Point	33.01	715.91	3,903.85
Winston-Salem	32.05	554.76	4,616.05
Durham	29.99	799.02	6,625.59
<b>PWC<sup>(4)</sup></b>	<b>29.97</b>	<b>606.20</b>	<b>4,133.70</b>
Raleigh	28.67	821.40	6,831.76
Greensboro	27.64	864.95	6,682.68
Charlotte	20.99	671.64	4,253.30

<sup>(1)</sup> Residential based on 3/4" meter. Includes basic facilities charge.

<sup>(2)</sup> Commercial based on 2" meter. Includes basic facilities charge.

<sup>(3)</sup> Industrial based on 4" meter. Includes basic facilities charge.

<sup>(4)</sup> The PWC's water bills are based on the rates effective May 1, 2019.

Source: Calculated by the PWC from data made available by the other utility providers.

**WASTEWATER SYSTEM**

Wastewater System Usage

Fiscal Year Ended June 30,	Treatment Capacity (MGD)	Average Flow (MGD)	Highest Monthly Peak Flow (MGD)	Total Volume (Million Gallons)	Average Flow % Change
2015	46	25.8	28.9	6,030	-4.44%
2016	46	27.8	32.6	6,126	7.75
2017	46	27.4	41.4	6,065	-1.44
2018	46	23.7	24.9	5,994	-13.67
2019	46	31.8	28.8	6,159	34.52

Wastewater System Customers  
Fiscal Year Ended June 30,

	2015	2016	2017	2018	2019
Residential	79,429	80,454	80,687	81,642	82,345
Commercial	5,911	5,956	5,981	5,924	5,959
Large Commercial/Industrial	19	20	20	18	18
Wholesale and City	6	7	7	7	7
Total	<u>85,365</u>	<u>86,437</u>	<u>86,695</u>	<u>87,591</u>	<u>88,329</u>

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

**Wastewater System Usage<sup>(1)</sup>  
Fiscal Year Ended June 30,  
(gallons in millions)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Residential	3,685	3,686	3,605	3,565	3,558
Commercial	1,498	1,549	1,602	1,636	1,717
Large Commercial/Industrial	636	694	695	650	690
Wholesale and City	<u>211</u>	<u>197</u>	<u>163</u>	<u>142</u>	<u>193</u>
Total	<u>6,030</u>	<u>6,126</u>	<u>6,065</u>	<u>5,993</u>	<u>6,158</u>

**Wastewater System Customers and Usage  
Fiscal Year Ended June 30, 2019**

	<u>Customers</u>		
	<u>Inside</u>	<u>Outside</u>	<u>Total</u>
	<u>City</u>	<u>City</u>	
Residential	71,801	10,544	82,345
Commercial	5,688	271	5,959
Large Users	12	6	18
Wholesale and City	<u>1</u>	<u>6</u>	<u>7</u>
Total	<u>77,502</u>	<u>10,827</u>	<u>88,329</u>

	<u>Usage<sup>(1)</sup></u> <u>(gallons in millions)</u>		
	<u>Inside</u>	<u>Outside</u>	<u>Total</u>
	<u>City</u>	<u>City</u>	
Residential	3,072	486	3,558
Commercial	1,620	97	1,717
Large Users	201	489	690
Wholesale and City	<u>24</u>	<u>169</u>	<u>193</u>
Total	<u>4,917</u>	<u>1,241</u>	<u>6,158</u>

<sup>(1)</sup> Excludes PWC's count and usage.

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

**Largest Wastewater Customers  
Fiscal Year Ended June 30, 2019**

<b><u>Customer</u></b>	<b><u>Industry</u></b>
Cape Fear Valley Medical Center	Healthcare
Cargill	Agriculture
Carolina By Products	Animal Feed
Fayetteville State University	College/University
Goodyear Tire & Rubber Company	Automotive
Mann+Hummel Pur Filt (Purolator)	Auto Filters
Methodist University	College/University
Momentive Specialty Chemicals (Hexion)	Chemicals
Nitta Gelatin	Food Processing
VA Hospital	Healthcare

As of June 30, 2019, the ten largest customers represented sales of 660 million gallons and revenue of \$2.7 million, which represents almost 5.5% of total wastewater sales revenue. No individual customer comprises more than 4% of total wastewater sales.

**Existing Monthly Wastewater Rates**

	<u>Inside City</u>		<u>Outside City</u>	
	<b>Usage Charge (per 1,000 gallons)</b>	<b>Basic Facility Charge</b>	<b>Usage Charge (per 1,000 gallons)</b>	<b>Basic Facility Charge</b>
Residential	\$5.28	\$14.50	\$9.24	\$25.40
Commercial (2" meter)	5.28	63.70	9.24	111.50
Large Users	3.96	248.70	3.96	435.20

Customers who only use wastewater and who are not water customers of the PWC are charged a fee of \$35.62 (inside City) and \$62.34 (outside City) per month.

**FAYETTEVILLE PUBLIC WORKS COMMISSION**

**Continuing Disclosure Information  
(SEC Rule 15c2-12) (continued)  
June 30, 2019**

A fixed monthly basic facility charge is also charged with each billing based on meter size as follows:

<u>Size of Meter</u>	<u>Monthly Charge</u>		
	<u>Inside City</u>	<u>Outside City</u>	<u>Utility Line Relocation Rider</u>
5/8" and 3/4"	\$14.50	\$25.40	\$1.00
1"	23.10	40.40	1.70
1 1/2"	38.30	67.00	3.30
2"	63.70	111.50	5.30
2 1/2"	96.00	168.00	7.40
3"	149.10	250.90	10.70
4"	248.70	435.20	16.70
6"	444.00	777.00	33.30
8"	732.10	1,281.20	53.30
10"	1,335.80	2,337.70	140.00
12"	2,270.00	3,972.50	176.70

**Residential Historical Percentage Monthly Bill Changes<sup>(1)</sup>**

<u>Effective Billing Date</u>	<u>Inside City</u>		<u>Outside City</u>	
	<u>Bill Amount<sup>(2)</sup></u>	<u>Percentage Increase (Decrease)</u>	<u>Bill Amount<sup>(2)</sup></u>	<u>Percentage Increase (Decrease)</u>
2015	\$38.34	3.71%	\$61.32	7.02%
2016	40.00	4.33	66.00	7.63
2017	43.00	7.50	73.13	10.80
2018	44.50	3.49	77.89	6.51
2019	46.18	3.78	80.84	3.79

<sup>(1)</sup> Assumes usage of 6,000 gallons per month. All base rate adjustments occurred for fiscal years 2015, 2016 and 2019 in May and for fiscal years 2017 and 2018 in April.

<sup>(2)</sup> Includes basic facilities charge of \$14.50 for inside the City wastewater customers and \$25.40 for outside the City wastewater customers.

FAYETTEVILLE PUBLIC WORKS COMMISSION

Continuing Disclosure Information  
 (SEC Rule 15c2-12) (continued)  
 June 30, 2019

Comparison of Wastewater Monthly Bills as of June 30, 2019

	Residential 6,000 Gallons <sup>(1)</sup>	Commercial 175,000 Gallons <sup>(2)</sup>	Industrial 1,500,000 Gallons <sup>(3)</sup>
Wilmington	\$56.88	\$1,043.05	\$7,672.50
High Point	51.00	1,328.57	8,139.61
Greenville	47.10	1,090.00	10,010.57
<b>PWC<sup>(4)</sup></b>	<b>46.18</b>	<b>987.70</b>	<b>6,188.70</b>
Raleigh	44.84	1,097.47	9,196.72
Durham	41.78	1,033.62	7,031.03
Winston-Salem	39.15	838.48	8,464.99
Concord	37.11	995.55	8,464.99
Charlotte	35.91	944.92	7,717.06
Greensboro	35.04	1,040.41	8,186.70

<sup>(1)</sup> Residential based on 3/4" meter. Includes basic facilities charge.

<sup>(2)</sup> Commercial based on 2" meter. Includes basic facilities charge.

<sup>(3)</sup> Industrial based on 4" meter. Includes basic facilities charge.

<sup>(4)</sup> The PWC's wastewater bills are based on the rates effective May 1, 2019.

Source: Calculated by the PWC from data made available by the other utility providers.

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**End**