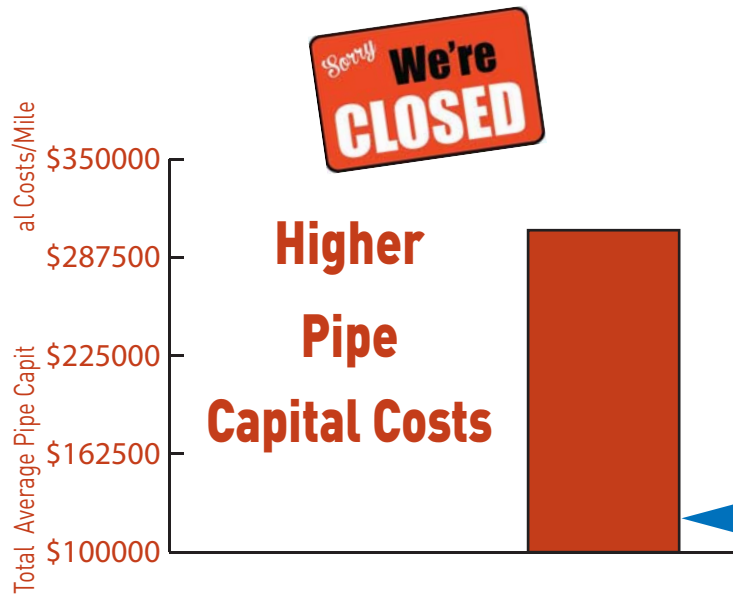


Virtual Pipe Monopoly Costs North Carolina More Than \$150,000 per Mile

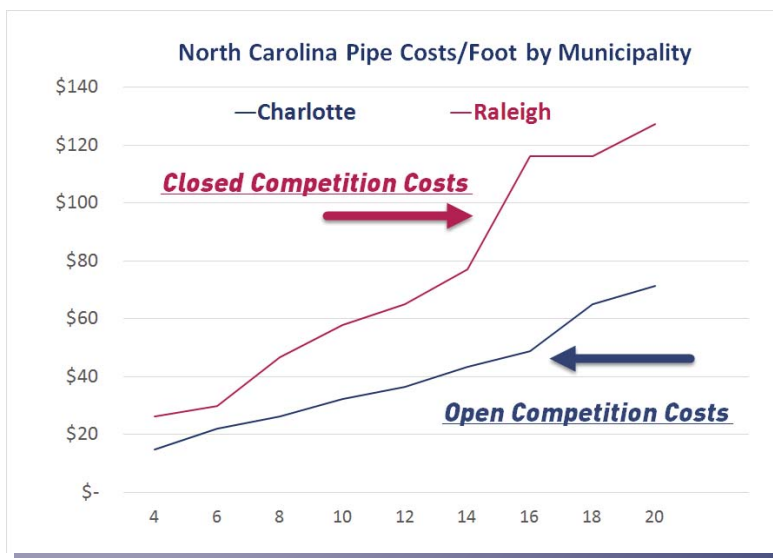
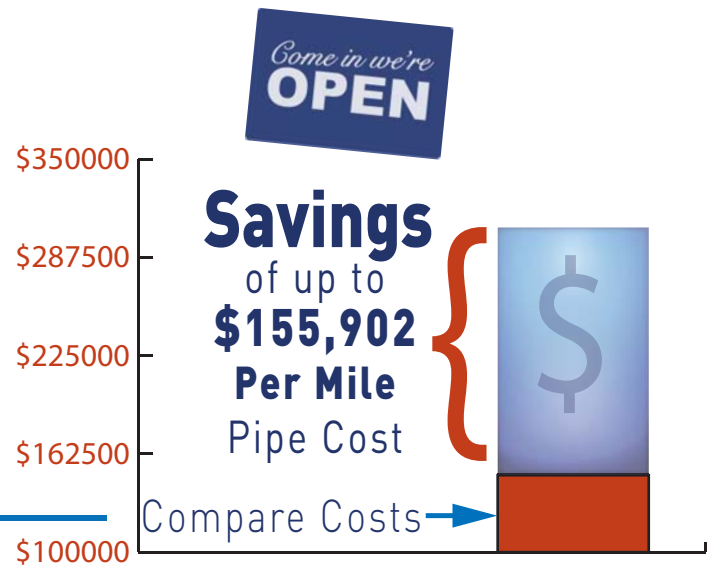
Closed Competition

Raleigh, North Carolina



Open Competition

Charlotte, North Carolina



Estimated Pipeline 2014 Capital Costs by Pipeline Diameter, for Raleigh and Charlotte, North Carolina. Source: BCC Research

- OPEN COMPETITION **Charlotte, NC** allows all materials that meet specifications to be considered for a project. It enjoys lower pipe capital costs on average. However, **Raleigh, NC**, mandates only one material for 8-12" water supply pipe, granting a virtual monopoly costing taxpayers an average of \$155,902 per mile in additional pipe capital cost alone.

- Savings on average, for 8-12" pipe capital costs in OPEN COMPETITION **Charlotte, NC** were more than 49% compared to **Raleigh, NC** with a virtual pipe monopoly for one material, ductile iron.

- Eight to 12" pipe in **Raleigh, NC**, which maintains a virtual monopoly, cost on average \$57.73 per foot, but in OPEN COMPETITION **Charlotte, NC** it cost \$28.21 per foot on average, a difference of \$29.53 per foot, **saving \$155,902 per mile** in pipe capital costs alone.

- For every ten miles of pipeline, OPEN COMPETITION could save **\$1.55 million** in pipe capital costs alone.