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Docket No. W-1328, Sub 10  
Docket No. W-1146, Sub 13

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Oct 23 2023

Megan,

Thank you for allowing me to present my comments and questions of Red Bird's acquisition of Total Environmental Services, Inc. (T.E.S.I.), within the Lake Royale Property Owners Association in regards to the supply of our potable water.

From the visible condition of the T.E.S.I. office and water tower it would appear that little to no funds were used for maintenance of these above ground plant items.

Water main leaks are routinely encountered, with many lasting for lengthy periods of time before being sealed. This points to lack of maintenance of the pipeline system in general.

Road repairs made by T.E.S.I. to damage done by water main leaks and repairs are poorly made, usually leaving patch material which crumbles and subsidence due to lack of proper compaction.

My questions:

1. Were any monies accrued for maintenance by T.E.S.I.?
2. Where and how has the monies collected by T.E.S.I. in monthly billings allocated for maintenance of physical plant been accounted for?
3. Will these funds be transferred to Red Bird, and if so, what is the new owners plan for maintenance of the system?
4. Will these funds, and those collected by Red Bird in similar amounts as T.E.S.I. previously in future billings sufficient to maintain plant equipment going forward? Or will Red Bird have to make substantial rate increases?
5. Does Red Bird anticipate special assessments to LRPOA customers for maintenance of physical plant purchased from T.E.S.I.?

Red Bird has already notified LRPOA customers of a monthly, per meter fee increase, for a twenty year period for maintenance, or replacement, of a system water pump and stand-by generator which should have been performed by T.E.S.I. Had T.E.S.I. collected these funds from rate payers previously?

6. How will Red Bird address other issues which occurred under T.E.S.I. for lack of, or insufficient maintenance of physical plant which Red Bird is purchasing, and which LRPOA rate payers have already paid in their monthly billings?

7. What regulatory provisions will be placed on Red bird or T.E.S.I., if possible, to prevent LRPOA rate payers to incur duplication of maintenance costs?

Thank you for allowing me time to present my concerns to the North Carolina Utilities Commission.



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