

NORTH CAROLINA PUBLIC STAFF UTILITIES COMMISSION

September 21, 2023

Ms. A. Shonta Dunston, Chief Clerk North Carolina Utilities Commission 4325 Mail Service Center Raleigh, North Carolina 27699-4300

Re: Docket No. W-933, Sub 12 and W-1328, Sub 0 – Application for Transfer of Public Utility Franchise from Etowah Sewer Company

Inc. to Red Bird Water and for Approval of Rates

Dear Ms. Dunston:

On October 8, 2020, Etowah Sewer Company, Inc. (Etowah) and Red Bird Utility Operating Company, LLC d/b/a Red Bird Water (Red Bird) filed a joint application for approval of transfer of the assets of the wastewater utility system serving the Etowah Community in Henderson County, North Carolina, from Etowah to Red Bird and approval of rates. Red Bird supplemented the joint application several times since the initial filing, with the last supplemental filing occurring on August 15, 2023. On August 22, 2023, the Public Staff filed a letter with the Commission indicating that this docket now includes all the information required for a complete Application.

On September 14, 2023, the Commission found the application complete and ordered the Public Staff to provide the Commission, within five business days, certain information as provided in five enumerated paragraphs. In response thereto, the Public Staff provides as follows:

1. The number and type of customers currently served by Etowah;

Amended application, page 3, Item 17 states there are 470 wastewater service taps in use. Amended application page 3, Item 18 states there are 455 wastewater customers at the end of the test year. The Public Staff has issued Data Request No. 9 on September 15, 2023, to address this discrepancy. The customers are wastewater customers.

Executive Director (919) 733-2435

Accounting (919) 733-4279

Consumer Services (919) 733-9277 Economic Research (919) 733-2267

Energy (919) 733-2267 Legal (919) 733-6110

Transportation (919) 733-7766

Water/Telephone (919) 733-5610 Ms. A. Shonta Dunston September 21, 2023 Page Two

2. The rates currently being charged to customers, including the docket number in which the current rates were approved by the Commission and the effective date for the current rates;

In Docket No. W-933, Sub 10, the Commission approved the following rates, which were effective January 1, 2016.

Monthly Sewer Utility Service:

| Residential Flat Rate | \$26.33 |
|--------------------------------------|---------|
| Commercial Customers (metered rates) | |
| Base Charge, zero usage | \$26.33 |
| Usage Charge, per 1,000 gallons | \$ 4.05 |

3. The proposed rates Red Bird seeks to charge if the Commission approves the transfer of the utility assets from Etowah to Red Bird;

Red Bird does not propose to change rates.

 If an increase in rates is proposed, provide the impact on the average monthly residential sewer bill under the proposed rates compared to current rates. For metered rates, indicate the average monthly usage used in your calculations; and

Red Bird does not seek a rate increase.

5. Briefly summarize any pertinent points from the application such as a description of any planned capital improvements, the related dollar amounts, the estimated total impact on annual revenue requirement, and the estimated impact on the average monthly residential sewer bill.

[BEGIN CONFIDENTIAL]

[END

CONFIDENTIAL] The Public Staff is unable to identify potential impacts on residential wastewater bills until the applicant has clarified the discrepancy in the customer counts as requested by Data Request No. 9.

Ms. A. Shonta Dunston September 21, 2023 Page Three

If you have any questions, please do not hesitate to contact me.

Sincerely,
Electronically submitted
/s/ Davia Newell
Staff Attorney
Davia.Newell@psncuc.nc.gov

cc: Parties of Record