



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

October 25, 2023

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

Re: Docket Nos. W-1146, Sub 13 and W-1328, Sub 10 – Application by Red Bird Utility Operating Company, LLC, for Authority to Transfer the Lake Royale Subdivision Water and Wastewater Utility Systems and Public Utility Franchise in Franklin and Nash Counties, North Carolina, and for Approval of Rates

Dear Ms. Dunston,

Attached for filing on behalf of the Public Staff in the above-referenced dockets are Public Staff Late Filed Exhibits 1 and 2 as requested by the Commission during the expert witness hearing on October 24, 2023.

Public Staff Late Filed Exhibit 1 provides the assumptions underlying column (d) Year Placed in Service, lines 22 and 23, and column (f) Years in Service, lines 22 and 23, of Public Staff Feasel Exhibit 1, Schedule 2-1.

Public Staff Late Filed Exhibit 2 provides an explanation of the Public Staff's calculation of the average water usage of 2,300 gallons appearing in the Commission's Order Scheduling Hearings, Establishing Discovery Guidelines, and Requiring Customer Notice issued on July 11, 2023, and the Notice to Customer attached to the order as Appendix A.

By copy of this letter, I am forwarding a copy to all parties of record by electronic delivery.

Executive Director
(919) 733-2435

Accounting
(919) 733-4279

Consumer Services
(919) 733-9277

Economic Research
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Transportation
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(919) 733-5610

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Sincerely,

Electronically submitted
/s/ Megan Jost
Staff Attorney
megan.jost@psncuc.nc.gov

cc: Parties of Record

CERTIFICATE OF SERVICE

I certify that copies of Public Staff Late Filed Exhibits 1 and 2 have been served on all parties of record or their attorneys, or both, in accordance with Commission Rule R1-39, by United States Mail, first class or better; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 25th day of October, 2023.

Electronically submitted
/s/ Megan Jost
Staff Attorney

ASSET DEPRECIATION SCHEDULE
 Total Environmental Solutions, Inc.
 North Carolina

Docket Nos. W-1146, Sub 13 and W-1328, Sub 10
 Public Staff Late Filed Exhibit 1

Date Acq	Description	Depr Basis	Years of Life-PS	Year Acquired	Years In Service	Annual Depreciation	Accumulated Depreciation	Net Plant Value
2022	meter installation and connection	\$ 1,014	15	2022	1.5	\$ 68	\$ (101)	\$ 912
Totals: 301031003 - STRUCTURE & IMPROVE		<u>1,014</u>				<u>68</u>	<u>(101)</u>	<u>912</u>
4/21/2022	various meter/service materials	15,895	15	2022	1.5	1,060	(1,590)	14,306
4/21/2022	Return various service materials	(3,192)	15	2022	1.5	(213)	319	(2,873)
4/13/2022	4x3/4" IPS PVC saddle	305	15	2022	1.5	20	(31)	275
4/13/2022	PVC and Meter coup	802	15	2022	1.5	53	(80)	722
3/30/2022	Ball Meter Valve (based on google product code	3,417	15	2022	1.5	228	(342)	3,075
3/30/2022	Ball Meter Valve (based on google product code	3,489	15	2022	1.5	233	(349)	3,140
4/1/2022	Ball Meter Valve (based on google product code	6,834	15	2022	1.5	456	(683)	6,151
4/27/2022	threaded joint based on google	2,618	15	2022	1.5	175	(262)	2,356
4/29/2022	meter boxes and lids	560	15	2022	1.5	37	(56)	504
4/28/2022	meter boxes and lids	224	15	2022	1.5	15	(22)	201
4/1/2022	various meter/service materials	1,253	15	2022	1.5	84	(125)	1,128
5/5/2022	meter box lids	187	15	2022	1.5	12	(19)	169
4/28/2022	water service installation	2,050	15	2022	1.5	137	(205)	1,845
5/9/2022	water service installation	1,800	15	2022	1.5	120	(180)	1,620
5/9/2022	water service installation	1,800	15	2022	1.5	120	(180)	1,620
5/9/2022	water main leak repair	-	15	2022	1.5	-	-	-
2/4/2022	water service installation	3,600	15	2022	1.5	240	(360)	3,240
2/4/2022	water service installation	5,400	15	2022	1.5	360	(540)	4,860
6/24/2022	various sch 40 PVC	1,569	15	2022	1.5	105	(157)	1,412
6/6/2022	3x3/4 brass SDL PVC	433	15	2022	1.5	29	(43)	390
6/6/2022	various service materials	3,331	15	2022	1.5	222	(333)	2,997
6/9/2022	various service materials	5,498	15	2022	1.5	367	(550)	4,949
6/28/2022	various pipe materials	1,174	15	2022	1.5	78	(117)	1,057
6/15/2022	various materials	680	15	2022	1.5	45	(68)	612
5/24/2022	various materials	790	15	2022	1.5	53	(79)	711
5/24/2022	various service materials	340	15	2022	1.5	23	(34)	306
5/24/2022	repair clamps and 3/4 in pipe materials	2,265	15	2022	1.5	151	(227)	2,039
6/4/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/4/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/4/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/4/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/4/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/4/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/4/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/3/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/3/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/3/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620

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ASSET DEPRECIATION SCHEDULE
 Total Environmental Solutions, Inc.
 North Carolina

Docket Nos. W-1146, Sub 13 and W-1328, Sub 10
 Public Staff Late Filed Exhibit 1

Date Acq	Description	Depr Basis	Years of Life-PS	Year Acquired	Years In Service	Annual Depreciation	Accumulated Depreciation	Net Plant Value
6/3/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/3/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/3/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/3/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/8/2022	service line installation	750	15	2022	1.5	50	(75)	675
6/13/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/13/2022	service line installation	1,800	15	2022	1.5	120	(180)	1,620
6/23/2022	clamps, meter boxes and lids	1,729	15	2022	1.5	115	(173)	1,556
6/1/2022	meters	1,556	15	2022	1.5	104	(156)	1,401
6/1/2022	repair clamps and meter box	809	15	2022	1.5	54	(81)	728
6/1/2022	meter box	98	15	2022	1.5	7	(10)	88
6/1/2022	meter box	587	15	2022	1.5	39	(59)	529
6/1/2022	meters	1,761	15	2022	1.5	117	(176)	1,585
6/2/2022	meter installation materials and meter boxes	3,821	15	2022	1.5	255	(382)	3,439
7/7/2022	service line installation	1,014	15	2022	1.5	68	(101)	912
7/7/2022	service line installation	764	15	2022	1.5	51	(76)	687
7/7/2022	service line installation	764	15	2022	1.5	51	(76)	687
7/7/2022	service line installation	2,064	15	2022	1.5	138	(206)	1,857
7/7/2022	service line installation	1,814	15	2022	1.5	121	(181)	1,632
7/7/2022	service line installation	1,014	15	2022	1.5	68	(101)	912
7/7/2022	service line installation	2,064	15	2022	1.5	138	(206)	1,857
6/23/2022	meter boxes	489	15	2022	1.5	33	(49)	441
7/14/2022	service material	1,452	15	2022	1.5	97	(145)	1,307
7/14/2022	service materials	5,444	15	2022	1.5	363	(544)	4,900
7/14/2022	service materials	4,225	15	2022	1.5	282	(422)	3,802
8/17/2022	meter boxes	800	15	2022	1.5	53	(80)	720
8/17/2022	meter lid	276	15	2022	1.5	18	(28)	249
8/17/2022	meter boxes	1,468	15	2022	1.5	98	(147)	1,322
8/17/2022	meter boxes	2,520	15	2022	1.5	168	(252)	2,268
8/30/2022	meter boxes	484	15	2022	1.5	32	(48)	435
8/10/2022	service line installation	764	15	2022	1.5	51	(76)	687
8/10/2022	service line installation	1,814	15	2022	1.5	121	(181)	1,632
9/8/2022	service line installation	764	15	2022	1.5	51	(76)	687
9/8/2022	service line installation	1,814	15	2022	1.5	121	(181)	1,632

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ASSET DEPRECIATION SCHEDULE
 Total Environmental Solutions, Inc.
 North Carolina

Docket Nos. W-1146, Sub 13 and W-1328, Sub 10
 Public Staff Late Filed Exhibit 1

Date Acq	Description	Depr Basis	Years of Life-PS	Year Acquired	Years In Service	Annual Depreciation	Accumulated Depreciation	Net Plant Value
9/8/2022	service line installation	1,014	15	2022	1.5	68	(101)	912
10/5/2022	service materials	2,965	15	2022	1.5	198	(297)	2,669
10/5/2022	service materials	1,143	15	2022	1.5	76	(114)	1,028
10/5/2022	service materials	174	15	2022	1.5	12	(17)	156
9/20/2022	service line installation	764	15	2022	1.5	51	(76)	687
9/20/2022	service line installation	764	15	2022	1.5	51	(76)	687
9/20/2022	service line installation	764	15	2022	1.5	51	(76)	687
9/20/2022	service line installation	1,814	15	2022	1.5	121	(181)	1,632
9/20/2022	service line installation	2,064	15	2022	1.5	138	(206)	1,857
11/8/2022	service materials	1,693	15	2022	1.5	113	(169)	1,523
11/8/2022	service materials	3,356	15	2022	1.5	224	(336)	3,020
10/6/2022	service line installation	1,814	15	2022	1.5	121	(181)	1,632
10/6/2022	service line installation	764	15	2022	1.5	51	(76)	687
10/11/2022	service line installation	764	15	2022	1.5	51	(76)	687
10/11/2022	service line installation	764	15	2022	1.5	51	(76)	687
10/11/2022	service line installation	764	15	2022	1.5	51	(76)	687
10/11/2022	service line installation	1,814	15	2022	1.5	121	(181)	1,632
10/11/2022	service line installation	1,014	15	2022	1.5	68	(101)	912
11/1/2022	service line installation	1,861	15	2022	1.5	124	(186)	1,674
11/1/2022	service line installation	1,861	15	2022	1.5	124	(186)	1,674
11/1/2022	service line installation	1,861	15	2022	1.5	124	(186)	1,674
11/1/2022	service line installation	764	15	2022	1.5	51	(76)	687
11/1/2022	service line installation	764	15	2022	1.5	51	(76)	687
11/1/2022	service line installation	1,814	15	2022	1.5	121	(181)	1,632
11/1/2022	service line installation	764	15	2022	1.5	51	(76)	687
11/7/2022	service materials	1,035	15	2022	1.5	69	(104)	932
11/28/2022	service line installation	764	15	2022	1.5	51	(76)	687
12/7/2022	service line installation	860	15	2022	1.5	57	(86)	774
11/28/2022	service line installation	764	15	2022	1.5	51	(76)	687
12/7/2022	service line installation	764	15	2022	1.5	51	(76)	687
12/7/2022	service line installation	860	15	2022	1.5	57	(86)	774
1/4/2023	service line installation	1,910	15	2023	1.0	127	(127)	1,783
1/4/2023	service line installation	1,910	15	2023	1.0	127	(127)	1,783
1/4/2023	service line installation	1,910	15	2023	1.0	127	(127)	1,783
1/4/2023	meter boxes and service materials	4,381	15	2023	1.0	292	(292)	4,089
Totals: 301031013 - METERS & INSTAL		185,398				12,360	(18,203)	167,195
5/14/2020 Structures & Improvements		9,592	10	2020	3.5	959	(3,357)	6,234
Totals: 305035003 - STRUCTURES & IMPROV		9,592				959	(3,357)	6,234
3/31/2017	Pumping Equipment	1,971	7	2017	6.5	282	(1,830)	141
12/31/2017	Pumping Equipment	7,239	10	2017	6.5	724	(4,706)	2,534
10/31/2019	Pumping Equipment	3,486	10	2019	4.5	349	(1,569)	1,917

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ASSET DEPRECIATION SCHEDULE
 Total Environmental Solutions, Inc.
 North Carolina

Docket Nos. W-1146, Sub 13 and W-1328, Sub 10
 Public Staff Late Filed Exhibit 1

Date Acq	Description	Depr Basis	Years of Life-PS	Year Acquired	Years In Service	Annual Depreciation	Accumulated Depreciation	Net Plant Value
11/30/2019	Pumping Equipment	1,385	7	2019	4.5	198	(890)	495
4/22/2020	Pumping Equipment	2,271	5	2020	3.5	454	(1,590)	681
11/30/2017	New 3 Phase pump lift station 5	7,142	20	2017	6.5	357	(2,321)	4,821
4/30/2018	Lift Station 4 and 5 rehab	8,006	20	2018	5.5	400	(2,202)	5,805
6/18/2018	lift station 4 pump and motor repair	1,263	20	2018	5.5	63	(347)	916
7/31/2018	Lift station 5 electrical panel and duplex control	5,750	20	2018	5.5	288	(1,581)	4,169
8/31/2019	Lift Station 2 pump	4,550	20	2019	4.5	228	(1,024)	3,526
Totals: 305035008 - PUMPING EQUIPMENT		43,063				3,342	(18,059)	25,004
Total Water Assets		\$ 186,412				\$ 12,427	\$ (18,304)	\$ 168,108
Total Wastewater Assets		\$ 52,654				\$ 4,301	\$ (21,416)	\$ 31,238
Grand totals for all accounts:		\$ 239,066				\$ 16,728	\$ (39,720)	\$ 199,346

Notes: Accumulated depreciation is calculated based on half year convention method and the year plant was placed in service.

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During the expert witness hearing in the above-referenced dockets on October 24, 2023, Public Staff witness Evan M. Houser was asked by presiding Commissioner Kemerait to provide a late filed exhibit explaining how the Public Staff calculated the average water usage of 2,300 gallons appearing in the Commission's Order Scheduling Hearings, Establishing Discovery Guidelines, and Requiring Customer Notice issued on July 11, 2023, and the Notice to Customer attached to the order as Appendix A. The Public Staff responds to the Commissioner Kemerait's request as follows:

On January 21, 2022, Red Bird Utility Operating Company, LLC, responded to Public Staff Data Request No. 2 in these dockets. Red Bird's response included a Microsoft Excel spreadsheet containing water and sewer utility service billing information for customers in the Lake Royale Subdivision, including volumetric usage and the total amount charged for each month between January 2019 and November 2020.

To calculate the average monthly water usage of 2,300 gallons, the Public Staff averaged the 33,338 monthly water usage amounts included in the response to Public Staff Data Request No. 2, which came out to 2,340 gallons. The Public Staff then rounded this amount to the nearest 100 gallons to arrive at 2,300 gallons.

The Excel file provided in response to Public Staff Data Request No. 2 contains approximately 33,340 rows and would, therefore, be difficult to file in PDF format. In addition, the Excel file contains customers' personal identifying information, which would have to be redacted in order to file the document publicly. For these reasons, the Public Staff is not filing a PDF version of the response to Public Staff Data Request No. 2 as part of this late filed exhibit. However, the Public Staff will provide an electronic version of the document upon request.