STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-992, SUB 8 DOCKET NO. W-1328, SUB 9

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Red Bird Utility Operating
Company, LLC, 1650 Des Peres Road, Suite
303, St. Louis, Missouri 63131, and Crosby
Utilities, Inc., 7536 NC 39 Hwy, Zebulon,
North Carolina 27597, for Authority to Transfer
the Baywood Forest Subdivision Water and
Wastewater Utility Systems and the
Cottonwood Subdivision Wastewater Utility
System and Public Utility Franchise in Wake
County, North Carolina, and for Approval of
Rates

ORDER EXCUSING
WITNESSES, ACCEPTING
TESTIMONY, CANCELING
EXPERT WITNESS HEARING
AND REQUIRING PROPOSED
ORDERS

BY THE PRESIDING COMMISSIONER: On October 22, 2020, Red Bird Utility Operating Company, LLC (Red Bird), and Crosby Utilities, Inc. (Crosby), filed with the Commission an Application for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the water and wastewater utility systems and public utility franchise serving all of Crosby's service areas in Wake County, North Carolina, from Crosby to Red Bird and approval of rates.

On September 22, 2022, the Commission issued an Order Scheduling Hearings, Establishing Discovery Guidelines, and Requiring Customer Notice (Scheduling Order) that, among other things, scheduled an expert witness hearing to begin at 10:00 a.m., on Tuesday, April 4, 2023, in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina.

On March 30, 2023, Red Bird and the Public Staff (Movants) filed a joint motion requesting that the Commission cancel the evidentiary hearing. In support of their motion, Movants state that they have reached a settlement that resolves all the disputed issues in this matter. Movants further explain that if the hearing is cancelled because it is no longer necessary, ratepayers will be saved the travel expense incurred by Red Bird witnesses who would need to travel from out-of-state to attend the evidentiary hearing.

On March 31, 2023, the Movants filed a Settlement Agreement and Stipulation resolving all contested issues in this matter. The Stipulating Parties agree that all prefiled testimony and exhibits of the Stipulating Parties, including any supplemental testimony filed in support of the Stipulation, may be received in evidence without objection and each

Stipulating Party waives all right to cross examine all of the Stipulating Parties' witnesses with respect to prefiled testimony and exhibits. There are no intervenors in these dockets.

Based on Movants' motion, all filings in the dockets, including the jointly filed Settlement and Agreement and Stipulation, and the record as a whole, the Presiding Commissioner finds good cause to excuse all witnesses from testifying at the expert witness hearing; to receive the witnesses' prefiled testimony, exhibits, and affidavits, as well as the jointly filed Settlement Agreement and Stipulation, into evidence; and to cancel the scheduled expert witness hearing.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the Applicant and the expert witnesses in this matter are excused from testifying at the hearing on Tuesday, April 4, 2023, and the witnesses' prefiled testimony, exhibits, and affidavits as well as the Application and jointly filed Settlement Agreement and Stipulation, are hereby admitted into evidence;
- 2. That the expert witness hearing previously scheduled for Tuesday, April 4, 2023, at 10:00 a.m., in Raleigh, North Carolina, is hereby canceled;
- 3. That the parties shall file proposed orders, or a joint proposed order, on or before May 3, 2023, and briefs by the same date, if they desire to file briefs;
- 4. That the Public Staff shall file simultaneously with its proposed order, as a confidential late-filed exhibit, a schedule showing the agreed-upon rate base for the Crosby systems in the amount of \$188,801 which provides, by water operations and sewer operations, the detailed calculation of plant in service less accumulated depreciation of \$103,794 and \$88,007, respectively, in a format similar to Public Staff Confidential Feasel Exhibit 1, Schedules 2-1(a) and 2-1(b) filed on March 10, 2023. Such schedules shall provide the specific amounts for each of the various line-by-line plant items listed on the March 10, 2023, schedules that comprise the total agreed-upon rate base amounts:
- 5. That the Stipulating Parties shall work together to draft a proposed Notice to Customers and shall file such agreed-upon proposed Notice to Customers simultaneously with the Parties' proposed orders. The proposed Notice to Customers shall explain to customers that a Stipulation was reached between Red Bird and the Public Staff and shall update customers concerning the comparison of present monthly bill amounts to the possible average monthly bill amounts for Year 1, Year 2, and Years 3 through 5 under the ownership by Red Bird based on the Stipulation and any other relevant factors, such as currently projected capital expenditures. This comparison of average monthly bill amounts in the proposed Notice to Customers shall be presented in

a format similar to the monthly bill comparison provided in Appendix A, page 2 of 4, attached to the Commission's Scheduling Order issued on September 22, 2022, in these dockets.

ISSUED BY ORDER OF THE COMMISSION.

This the 3rd day of April, 2023.

NORTH CAROLINA UTILITIES COMMISSION

Erica N. Green, Deputy Clerk