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F. KENT BURNS – *RETIRED*

Ms. A. Shonta Dunston
Chief Clerk
North Carolina Utilities Commission
430 N. Salisbury Street
Raleigh, North Carolina

Re: Transfer of Total Environmental Solutions, Inc. to Red Bird
Utility Operating Company, LLC, d/b/a Red Bird
Docket Nos.: W-1328, Sub 10 and W-1146, Sub 13

Dear Ms. Dunston:

I write on behalf of Red Bird to further supplement the Transfer Application pending in these dockets by providing the following additional documents and information:

1. Enclosed are Certificates of Good Standing issued by the North Carolina Secretary of State establishing that each of Red Bird Utility Holding Company, LLC (originally known as CSWR-North Carolina Utility Holding Company, LLC); Red Bird Utility Operating Company, LLC (originally known as CSWR – North Carolina Utility Operating Company, LLC); and North Carolina Central States Water Resources, LLC (originally known as CSWR-North Carolina, LLC), are existing North Carolina limited liability companies in good standing.
2. Also enclosed is an Explanation of Corporate Structure that details the interrelationship of these entities and how this model has historically been utilized by Central States Water Resources. An updated Corporate Organization Chart is also enclosed.
3. Enclosed is the Assignment of Contract Rights (labeled as Attachment F.2), which reflects that the Agreement for Sale of Utility System has been assigned to Red Bird and which will be the purchaser of the utility assets that are the subject of that Agreement.

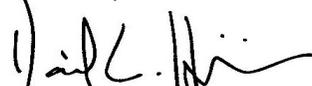
4. Enclosed Attachment N addresses the easements and properties to be acquired by Red Bird and contains related statements requested by Public Staff regarding their sufficiency for operation of this system.
5. O&M Contractor Materials. As previously reported to the Commission, Red Bird will employ qualified Operations and Maintenance (O&M) Contractors to operate the systems it acquires in North Carolina, as it does in every other state where Red Bird affiliates operate. As a practical matter, many of the systems Red Bird seeks to acquire are currently operated by contract operators. The enclosed O&M Qualification and Bidding Process Description explains the multi-step process by which CSWR requests qualification information and references to identify qualified potential O&M Contractors using the enclosed RFQ Template. The three O&M Contractors in North Carolina that CSWR has identified as qualified to this point are listed in the O&M Qualification and Bidding Process Description. As previously reported in connection with the Bear Den (W-1328, Sub 4) and Crosby Utilities (W-1328, Sub 9) dockets, as to the four Ocean Terrace / PKT properties in Pine Knoll Shores which Red Bird acquired in mid-December 2021, Red Bird has received no customer complaints from these properties and no customer service issues have been identified at this time.

Please do not hesitate to contact me if you or the Commission have any questions regarding these materials. Otherwise, we would hope that the Commission will issue an Order setting this matter for hearing in the very near future.

With best regards, we remain

Sincerely yours,

BURNS, DAY & PRESNELL, P.A.



Daniel C. Higgins

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DCH/krs

Enclosures

cc: Public Staff - Legal

Public Staff - Water and Sewer

Red Bird Water