Troutman Pepper Hamilton Sanders LLP 301 S. College Street, 34th Floor Charlotte, NC 28202



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Mindy L. McGrath mindy.mcgrath@troutman.com

January 17, 2024

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

Re: Application by A&D Water Services, Inc., for Transfer of Public Utility Franchise to Red Bird Utility Operating Company, LLC, d/b/a Red Bird Water, and for Approval of Rates

Docket No. W-1049, Sub 25 Docket No. W-1328, Sub 2

Dear Ms. Dunston:

Enclosed on behalf of Red Bird Utility Operating Company, LLC, please find the Updated Application Page 1 and Updated Attachment A, updating the references for previously approved rates to those approved in Docket No. W-1049, Sub 19.

Please contact me if you or the Commission have any questions regarding this filing.

Best regards,

/s/ Mindy McGrath Mindy McGrath

Enclosure

c: Parties of Record w/ Encl.

CERTIFICATE OF SERVICE

DOCKET NO. W-1049, SUB 25 DOCKET NO. W-1328, SUB 2

I hereby certify that a copy of Red Bird Utility Operating Company, LLC's Updated Application Page 1 and Updated Attachment A was served electronically or by depositing a copy of the same in the United States Mail, first class postage prepaid, at the addresses contained in the official service lists in these proceedings.

This the 17th day of January 2024.

RED BIRD UTILITY OPERATING COMPANY, LLC

/s/ Mindy McGrath

Mindy McGrath (NC Bar No. 35628) Molly M. Jagannathan (NC Bar No. 36931)

MM Telephone: (704) 916-1522 MMJ Telephone: (704) 998-4074

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mindy.mcgrath@troutman.com molly.jagannathan@troutman.com Docket No. W-1049, Sub 25 Docket No. W-1328, Sub 2

Updated Application Page 1

V-1049, Sub 25
<i>N</i> -1328, Sub 2

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

APPLICATION FOR TRANSFER OF PUBLIC UTILITY FRANCHISE AND FOR APPROVAL OF RATES

INSTRUCTIONS

Notes or explanations placed in the margins of the application are acceptable. If additional space is needed, supplementary sheets may be attached. If any section does not apply, write "not applicable" or cross out the section.

	SELLER			
1.	. Trade name used for utility business A & D Water Service, Inc.			
2.	Mailing address P. 0. Box 1407 Pisgah Forest N. C 28768			
3.	000 004 0770			
	PURCHASER			
4.	Trade name used for utility business Red Bird Utility Operating	Company, LLC d/b/a Red Bird Water		
т. 5.	Name of owner (if different from trade name)	1 37		
6.	Business mailing address 1650 Des Peres Road, Suite 303			
	City and state St. Louis, MO	Zip code 63131		
7.	· · · · · · · · · · · · · · · · · · ·			
8.	Business telephone number 314-736-4672			
9. If corporation, list the following: LLC See Attachment K for a copy of CSWR Organizational Chart				
•		ee President		
		easurer		
	Three (3) largest stockholders and percent of voting shares held	by each		
	CSWR North Carolina Utility Holding Company, LLC is the sole	owner/member of Red Bird Utility Operating Company		
	d/b/a Red Bird Water			
10.	If partnership, list the owners and <u>percent</u> of ownership held by	each		
11.	Is the purchaser acquiring the utility assets or stock? Utility	Assets		
	(No filing fee required if stock transfer only.)			
	(coming too required it electricates and of			
	PROPOSED AND PRESE	NT RATES		
	Proposed Rates	Present Rates		
12.	Metered Residential Service: Water: Consistent with Docket W-1049, Sub 19	Consistent with Docket W-1049, Sub 19		
	Sewer: See Above	See Above		
13.	Flat Rate Residential Service:			
	Water: Consistent with Docket W-1049, Sub 19	Consistent with Docket W-1049, Sub 19		
	Sewer: See Above	See Above		
14.	Nonresidential Service (explain):			
	Water: Consistent with Docket W-1049, Sub 19	Consistent with Docket W-1049, Sub 19		
	Sewer: See Above	See Above		
15.	Tap-on fees:			
	Water: Consistent with Docket W-1049, Sub 19	Consistent with Docket W-1049, Sub 19		
	Sewer: See Above	See Above		
	OTHER PROPOSED	<u>RATES</u>		
	1% per month will be applied to the	unpaid balance of all bills still past due 25 days after billing date		
16.	I mance charge for late payment.			
	(NCUC Rule R12-9) specifies not more than one percent (1.0% all bills still past due 25 days after billing date.)			
17.	Reconnection charge if water service cut off by utility as specific	ed in NCUC Rule R7-20: \$\frac{\\$G}{}		
18.	, , , , , , , , , , , , , , , , , , ,			
19.	A 0'			
20.				
	What data are the prepared rates to become effective. Upon C	Closina		
21.	What date are the proposed rates to become effective:	···		

See Attachment A

22. How long have the present rates been in effect? 12/06/2016

Docket No. W-1049, Sub 25 Docket No. W-1328, Sub 2

Updated Attachment A

STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1049, SUB 19 DOCKET NO. M-100, SUB 138

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. W-1049, SUB 19	
In the Matter of A & D Water Service, Inc. Tariff Filing to Reflect House Bill 998)))
DOCKET NO. M-100, SUB 138	ORDER APPROVING TARIFFREVISION AND REQUIRINGCUSTOMER NOTICE
In the Matter of Implementation of House Bill 998 – An Act to Simplify the North Carolina Tax Structure and to Reduce Individual and Business Tax Rates)))

BY THE COMMISSION: Pursuant to Section 2.4.(a) of Session Law 2015-6 (House Bill (HB) 41), the Commission must adjust the rate for the sale of electricity, piped natural gas, and water and wastewater service to reflect all of the tax changes as enacted in Session Law 2013-316 (HB 998). Under G.S. 105-130.3A, as enacted in HB 998, an automatic reduction in the State corporate income tax rate from 4% to 3% will become effective for the taxable year beginning on or after January 1, 2017, because certain net General Fund tax collection levels were met for the State's fiscal year 2015-2016.

On September 19, 2016, the Commission issued its Order Requiring Revised Tariff Filings, Proposed Customer Notices, and Requesting Review and Comments by the Public Staff – North Carolina Utilities Commission (Public Staff). In the Order, the Commission concluded, among other things, that water and wastewater public utilities must adjust their rates, effective for the taxable year beginning on or after January 1, 2017, to reflect the reduction from 4% to 3% in the State corporate income tax rate. Therefore, the Commission required, among other things, that all water and wastewater public utilities file revised tariffs and proposed customer notices by no later than October 12, 2016, reflecting the new rates at the 3% State corporate income tax rate. The Order further requested the Public Staff to file comments on the tariff filings and proposed customer notices by November 2, 2016. Finally, the Commission requested that the Public Staff file comments by no later than Wednesday, November 16, 2016¹, that

¹ On November 15, 2016, the Public Staff filed a Motion for Extension of Time to file its comments and proposed revised tariffs and customer notices for the utilities that did not timely file as required in the September 19, 2016 Order by no later than November 21, 2016. By Order dated November 15, 2016, the Commission granted the Public Staff's Motion.

specify the utilities that did not timely file revised tariffs and proposed customer notices. The Public Staff was further requested to file proposed revised tariffs and customer notices for those utilities.

A & D Water Service, Inc. (A & D or the Company) did not file its revised tariff and proposed customer notice as required in the September 19, 2016 Order.

On November 21, 2016, the Public Staff filed its comments as requested in the September 19, 2016 Order. The Public Staff provided a proposed tariff and customer notice for A & D to reflect the January 1, 2017 reduction in the State corporate income tax rate from 4% to 3%.

Based on the record of evidence in these dockets, the Commission finds it appropriate to approve the proposed tariff, effective January 1, 2017, and customer notice for A & D provided by the Public Staff on November 21, 2016. The Company is required to provide a customer notice, as attached, and file a verification that it has adjusted its rates accordingly.

IT IS, THEREFORE, ORDERED as follows:

- 1. That the Schedule of Rates, attached as Appendix A, is approved and is deemed filed with the Commission pursuant to G.S. 62-138. This Schedule of Rates is effective for service rendered on and after January 1, 2017.
- 2. That a copy of the Notice to Customers attached as Appendix B be mailed with sufficient postage or hand delivered by the Company to all of its customers contemporaneously with the first billing of customers that reflects the new rates.
- 3. That the Company shall file with the Commission the attached Verification properly signed and notarized not later than thirty (30) days after January 1, 2017.

ISSUED BY ORDER OF THE COMMISSION.

This the ___6th___ day of December, 2016.

NORTH CAROLINA UTILITIES COMMISSION

Janice H. Fulmore, Deputy Clerk

Janice H. Fulmore

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing water and sewer utility service in

BUFFALO MEADOWS SUBDIVISION

Ashe County, North Carolina

Monthly Metered Water Rates:

Residential Base Charge, zero usage	\$ 15.31
Usage Charge, per 1,000 gallons	\$ 4.46

Monthly Metered Sewer Rates:

Residential Base Charge, zero usage	\$ 28.61
Usage Charge, per 1,000 gallons	\$ 8.24

<u>Connection Charge:</u> Actual cost

Reconnection Charges:

If water service cut off by utility for good cause	\$ 23.92
If water service discontinued at customer's request	\$ 23.92
If sewer service cut off by utility for good cause	Actual cost

Returned Check Charge: \$ 23.92

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

<u>Finance Charge for Late Payment:</u> 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

billing date.

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1049, Sub 19, on this the __6th _ day of December, 2016, effective January 1, 2017.

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing water utility service in

CAMELOT SUBDIVISION

Henderson County, North Carolina

Monthly Water Rates:

Metered Service:

Base Charge, zero usage \$38.04 Usage Charge, per 1,000 gallons \$3.58

<u>Connection Charge</u>: None

Reconnection Charges:

If water service cut off by utility for good cause \$24.96 If water service discontinued at customer's request \$24.96

To avoid having water utility service disconnected (if payment for service is not received by the past-due date), a customer must pay all past-due and current charges, and may have to pay late payment finance charges.

To resume water utility service, after service has been cut-off by utility for good cause, a customer must pay all delinquent water charges, including finance charges, plus the approved reconnection charge.

Returned Check Charge: \$24.96

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

billing date.

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1049, Sub 19, on this the <u>6th</u> day of December, 2016, effective January 1, 2017.

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing water utility service in

CINNAMON WOODS SUBDIVISION

Henderson County, North Carolina

Monthly Water Rates:

Metered Service:

Base Charge, zero usage \$ 16.51 Usage Charge, per 1,000 gallons \$ 4.15

Connection Charge: \$ 1,000

Reconnection Charges:

If water service cut off by utility for good cause \$ 24.96 If water service discontinued at customer's request \$ 24.96

To avoid having water utility service disconnected (if payment for service is not received by the past-due date), a customer must pay all past-due and current charges, and may have to pay late payment finance charges.

To resume water utility service, after service has been cut-off by utility for good cause, a customer must pay all delinquent water charges, including finance charges, plus the approved reconnection charge.

Returned Check Charge: \$24.96

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

billing date.

Issued in Accordance with Authority Granted by the North Carolina Utilities Commission in Docket No. W-1049, Sub 19, on this the <u>6th</u> day of December, 2016, effective January 1, 2017.

APPENDIX A-4 PAGE 1 OF 2

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing sewer utility service in

HIGH VISTA FALLS SUBDIVISION (PHASES I THROUGH V), LAVISTA VILLAGE CONDOMINIUMS, HIGH VISTA COUNTRY CLUB, AND CERTAIN OUT-PARCELS ON NC HIGHWAY 191 AND BISHOP ROAD

Buncombe and Henderson Counties, North Carolina

Monthly Flat Rate for Sewer Service:

Residential Rates High Vista Falls LaVista Village Condos	\$ 35.33 \$ 23.00
Commercial Rates (Current Active Customers) High Vista Country Club Real Estate Sales Office Guardhouse/Security Entrance	\$212.03 \$ 8.05 \$ 4.03
Commercial Rates (Future Development) / REU	\$ 35.33

REU = Residential Equivalent Unit = (DWQ's monthly design flow rate for customer, or metered water use) / Public Utilities Engineer's residential flow estimate in last rate case, 8,250 gallons/month)

Connection Charge: \$1,500

Reconnection Charge: Actual cost

The Utility shall itemize the estimated costs of disconnecting and reconnecting sewer utility service, and shall furnish a copy of the cost estimate to the customer with the cut off notice for the pending disconnection.

To resume sewer utility service, after service has been cut off by the Utility for good cause, a customer must pay all delinquent sewer charges, including finance charges, plus the <u>actual cost</u> incurred by the Utility to reconnect the service.

APPENDIX A-4 PAGE 2 OF 2

Returned Check Charge: \$ 23.92

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing sewer utility service in

HUNTER'S GLEN SUBDIVISION

Henderson County, North Carolina

Monthly Residential Flat Rate for Sewer Service: \$ 48.96

Monthly Commercial Metered Sewer Rates:

Commercial Base Charge, zero usage \$ 42.14 Usage Charge, per 1,000 gallons \$ 7.02

<u>Connection Charge:</u> Actual cost

Reconnection Charge:

If sewer service cut off by utility for good cause

Actual cost

Returned Check Charge: \$ 23.92

Bills Due: On billing date

Bills Past Due: 15 days after billing date

<u>Billing Frequency:</u> Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing water utility service in

KIRK GLEN SUBDIVISION

Buncombe County, North Carolina

Monthly Metered Water Rates:

Residential Base Charge, zero usage	\$ 36.46
Usage Charge, per 1,000 gallons	\$ 15.25

Connection Charge: Actual cost

Reconnection Charges:

If water service cut off by utility for good cause	\$ 23.99
If water service discontinued at customer's request	\$ 23.99

Returned Check Charge: \$ 23.96

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

<u>Finance Charge for Late Payment:</u> 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing sewer utility service in

MOUNTAIN VALLEY SUBDIVISION

Henderson County, North Carolina

Monthly Residential Flat Rate for Sewer Service: \$ 41.45

<u>Connection Charge:</u> Actual cost

Reconnection Charge:

If sewer service cut off by utility for good cause

Actual cost

Returned Check Charge: \$ 23.92

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

APPENDIX A-8 PAGE 1 of 2

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing water utility service in

ROLLING OAKS ESTATES SUBDIVISION

Buncombe County, North Carolina

Monthly Metered Water Rates:

Base Charge, zero usage

Residential, standard meter	\$ 28.49
Commercial user, 1.0" meter	\$ 71.22
Usage Charge, per 1,000 gallons	\$ 4.79
Connection Charge:	\$600.00

Reconnection Charges:

If water service cut off by utility for good cause	\$ 23.92
If water service discontinued at customer's request	\$ 23.92

To avoid having water utility service disconnected (if payment for service is not received by past due date), a customer must pay all past due and current charges, and may have to pay late payment finance charges.

To resume water utility service, after service has been cut off by Utility for good cause, a customer must pay all delinquent water charges, including finance charges, plus the approved reconnection charge.

Returned Check Charge: \$ 23.92

Bills Due: On billing date

Bills Past Due: 15 days after billing date

APPENDIX A-8 PAGE 2 of 2

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment:

1% per month will be applied to the unpaid balance of all bills still past due 25 days after

APPENDIX A-9 PAGE 1 OF 2

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing water and sewer utility service in

SAPPHIRE LAKES SUBDIVISION

Transylvania County, North Carolina

Monthly Metered Water Rates:

Base Charge,	zero	usage

Residential, standard meter	\$ 10.52
Commercial, 2-inch meter	\$ 52.60
Usage Charge, per 1,000 gallons	\$ 3.34

Monthly Flat Rate for Residential Sewer Service: \$ 41.21

Monthly Metered Commercial Sewer Rates:

Base Charge, zero usage

Standard meter	\$ 30.45
2-inch meter	\$152.26
Usage Charge, per 1,000 gallons	\$ 6.90

Connection Charge (for villas, cottages, or individual lots):

Water Utility Service	\$600.00 per lot
Sewer Utility Service	\$650.00 per lot

Reconnection Charges:

If water service cut off by utility for good cause	\$ 29.94
If water service discontinued at customer's request 1/2	\$ 29.94

To avoid having water utility service disconnected (if payment for service is not received by the past due date), a customer must pay all past due and current charges, and may have to pay late payment finance charges.

To resume water and sewer utility service, after service has been cut off by utility for good cause, a customer must pay all delinquent water and sewer charges, including finance charges, plus the approved reconnection charge.

Ustomers who request to have water (and sewer) utility service reconnected, within nine months of a requested disconnection (at the same address), shall be charged the monthly water base charge for each of the months they were disconnected.

Returned Check Charge: \$ 23.92

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

APPENDIX A-10 PAGE 1 OF 2

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing sewer utility service in

SHERWOOD FOREST SUBDIVISION

Transylvania County, North Carolina

Monthly Flat Rate for Sewer Service:

\$ 35.02
\$ 35.02 per REU
\$ 70.06
\$770.60
\$122.60
\$336.27

Connection Charge: \$1,500

Reconnection Charge: Actual cost

The Utility shall itemize the estimated costs of disconnecting and reconnecting sewer utility service, and shall furnish a copy of the cost estimate to the customer with the cut off notice for the pending disconnection.

To resume sewer utility service, after service has been cut off by the Utility for good cause, a customer must pay all delinquent sewer charges, including finance charges, plus the actual cost incurred by the Utility to reconnect the service.

Returned Check Charge: \$ 23.92

Bills Due: On billing date

Bills Past Due: 15 days after billing date

APPENDIX A-10 PAGE 2 OF 2

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing water utility service in

SKYVIEW PARK SUBDIVISION

Gaston County, North Carolina

Monthly Metered Water Rates:

Residential Base Charge, zero usage	\$ 21.62
Usage Charge, per 1,000 gallons	\$ 5.54

<u>Connection Charge:</u> Actual cost

Reconnection Charges:

If water service cut off by utility for good cause	\$ 23.92
If water service discontinued at customer's request	\$ 23.92

Returned Check Charge: \$ 23.92

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

APPENDIX A-12 PAGE 1 OF 2

SCHEDULE OF RATES

for

A&D WATER SERVICE, INC.

for providing water and sewer utility service in

WHITE OAK VILLAGE MOBILE HOME PARK

Henderson County, North Carolina

Monthly Metered Water Service:

Base Charge, zero usage	\$ 10.00
Usage Charge, per 1,000 gallons	\$ 3.48

Monthly Metered Sewer Service:

Base Charge, zero usage	\$ 26.33
Usage Charge, per 1,000 gallons	\$ 2.21

Connection Charge: Actual Cost

Reconnection Charges:

If water service cut off by utility for good cause	\$ 24.96
If water service discontinued at customer's request	\$ 24.96
If sewer service cut off by utility for good cause	Actual Cost

To avoid having water utility service disconnected (if payment for service is not received by the past-due date), a customer must pay all past-due and current charges, and may have to pay late payment finance charges.

To resume water utility service, after service has been cut-off by utility for good cause, a customer must pay all delinquent water charges, including finance charges, plus the approved reconnection charge.

APPENDIX A-12 PAGE 2 OF 2

Returned Check Charge: \$24.96

Bills Due: On billing date

Bills Past Due: 15 days after billing date

Billing Frequency: Shall be monthly for service in arrears

Finance Charge for Late Payment: 1% per month will be applied to the unpaid

balance of all bills still past due 25 days after

APPENDIX B

NOTICE TO CUSTOMERS

Notice is hereby given that the North Carolina Utilities Commission has approved a rate decrease for A & D Water Service, Inc. to reflect a tax change enacted by the North Carolina General Assembly. Under House Bill 998, an Act to Simplify the North Carolina Tax Structure and to Reduce Individual and Business Tax Rates, effective January 1, 2017, the State corporate income tax rate was decreased from 4% to 3%. The Company has decreased its rates by the following percentages to reflect the decrease in the State corporate income tax rate, effective January 1, 2017:

0.09%
0.09%
0.09%
0.10%
0.09%
0.01%
0.09%
0.07%
0.09%
0.09%
0.09%
0.08%
0.09%

This the 6th day of December, 2016.

NORTH CAROLINA UTILITIES COMMISSION

Janice H. Fulmore, Deputy Clerk

Janice H. Julmore

VERIFICATION

Ι,		, state and attest that A & D
Water Serv	ice, Inc. has:	
(1)	Adjusted its rates as o	rdered in Docket No. W-1049, Sub 19, and
(2)	Mailed with sufficient	postage or hand delivered to all affected customers
	the customer notice is	ssued by the North Carolina Utilities Commission in
	Docket No. W-1049, S	sub 19, by the date specified in the Order.
This	the day of	, 2017.
	Ву:	Signature
		Oignataro
		Name of Utility Company
Sworn to a	nd subscribed before me	
This the	day of	, 2017.
	Notary Public	
	Printed Name	
My Commis	ssion Expires:	