From: Steven Hase

To: <u>Jagannathan, Molly McIntosh</u>

Cc: benninklawoffice; Jost, Megan; Ingram, Holly R.; Phil Ginn; Scott Woods; Aaron Silas

Subject: [External] Re: SES Property in Connelly Springs, NC

Date: Monday, February 12, 2024 1:50:57 PM

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Molly, thank you for the explicit responses.

SES accepts the rates as corrected in the proposal.

SES is not requesting to give testimony at the scheduled public hearing, and is not planning to attend.

Have a great day. Sent from my iPhone

On Feb 12, 2024, at 1:12 PM, Jagannathan, Molly McIntosh <molly.jagannathan@troutman.com> wrote:

Hi, Mr. Hase! I am so glad you were able to connect with Megan. I have confirmed the following with my client:

- Red Bird is <u>not</u> going to charge the motel or restaurant the \$27.72 per toilet rate; the \$243.52/month flat rate for each is the only charge for wastewater/sewer service.
- 2. Red Bird is <u>not</u> going to charge anything relating to the vacant lots you mention below.

If you have any questions or need anything further, please let us know.

Thanks so much!

Molly

Molly Jagannathan

Partner

troutman pepper

Direct: 704.998.4074 | Mobile: 980.297.3588 | Internal: 22-4074

molly.jagannathan@troutman.com

From: Steven Hase

Sent: Monday, February 12, 2024 11:33 AM

To: Jagannathan, Molly McIntosh <molly.jagannathan@troutman.com>

Cc: benninklawoffice <benninklawoffice@aol.com>; Jost, Megan

<megan.jost@psncuc.nc.gov>; Ingram, Holly R. <Holly.Ingram@troutman.com>; Phil

Ginn ; Scott Woods

Subject: Re: SES Property in Connelly Springs, NC

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Hello Molly and Megan,

I am in receipt of the 2-7-24 correspondence, Revised Customer Notice. I am appreciative of your communications, especially a call from Megan earlier today. I am including SES's President, Judge Phil Ginn on this correspondence as well as Scott Woods, our CFO.

1) In the past, the POA had been charging the previous owner and then SES (as successor owner) of the dormant motel and restaurant the <u>same rate per toilet</u> as the residences and the POA office (\$27.72 per toilet). Since the number of toilets in both locations is approx 100, such an assessment for inactive toilets we have been considering excessive.

Now I read that a different flat rate of \$243.52 is charged: "A flat rate of \$243.52 per month for wastewater utility service would continue to be charged to the Motel and the Restaurant." Can you please clarify whether this single flat rate of \$243.52/month is the <u>only</u> sewer charge for each of the motel and the restaurant, and that the (\$27.72 per toilet) is <u>not</u> in addition? I read it to be the only sewer charge, but I am trying to verify. If so, much of our concern (except for 2) below) will be alleviated.

2) Also, the POA had been charging us a \$74.90 fee/month for a vacant lot (of which we possess 4), and along with a "water availability rate" of 3.34/mo/per lot

Excerpt from most recent invoice:

"Vacant Lot - Monthly Assessment 4 Lots x 4 Months 16 74.90, 1,198.40 Water Availability Rate of 4 Lots x 4 Months 16 3.34, 53.44

I don't see any mention of these rates in the Notice. Does that mean that Red Bird would not be charging SES these additional rates?

Thanks for your attention to this matter. If we are able to resolve this matter, there we may not see a need to file testimony at the Hearing on 2/20.

Sincerely,

Steve Hase

Special Assistant to the President SES
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