

SANFORD LAW OFFICE, PLLC

Jo Anne Sanford, Attorney at Law

August 10, 2018

Ms. M. Lynn Jarvis, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Via Electronic Filing

Re: Carolina Water Service, Inc. of North Carolina
(Emergency Operator of Riverbend Estates Water System)

Docket No. W-390, Sub 13, Petition to Appoint Emergency Operator
and Increase Rates

Docket No. W-390, Sub 14 and Docket No. W-354, Sub 358, Petition
for Transfer of Certificate from Riverbend Estates Water System to
Carolina Water Service, Inc. of North Carolina

Update on Status of Dockets

Dear Ms. Jarvis:

I write on behalf of Carolina Water Service, Inc. of North Carolina (“CWSNC” or “Company”) to update the Commission on the status of the dockets associated with the operation of the Riverbend Estates Water System (“Riverbend”) and with the efforts to transfer ownership to CWSNC.

First, CWSNC continues to serve as the Emergency Operator and the system is functioning properly. By letter of March 13, 2018, the Company voluntarily requested permission to decrease the provisional rates from those set in the “Emergency Operator” docket (W-390, Sub 13) to the lower CWSNC uniform rates. This was a concession to customer concerns about rates and prompted by the time required to assess the various issues concerning ownership of utility property. CWSNC also requested that the Commission defer taking any action on the transfer application, which is pending in Dockets Nos. W-390, Sub 14 and W-354, Sub 358, “...while the Company performs additional due

diligence to investigate certain easement and other related issues which have arisen pertaining to the Riverbend matter.”

CWSNC’s inquiry into a range of property and title issues has been lengthy, complex and very significant in terms of all resources: time, personnel attention, and expense. It continues, and proper management requires resolution of these issues prior to a transfer of the utility and its assets from Riverbend to CWSNC.

The Company remains committed to the purchase and rehabilitation, as necessary and appropriate, of this troubled system and to including these valued customers in the network of systems owned and operated by CWSNC. The Company’s present expectation is that the property issues that remain, and they are several, likely can be resolved before September 30, 2018. At that time, CWSNC expects to renew the request for active consideration of the transfer application, working with the Public Staff to provide the Commission with a new version of a Joint Proposed Order.

As always, thank you and your staff for your assistance; please feel free to contact me if there are any questions or suggestions.

Sincerely,

Electronically Submitted

/s/Jo Anne Sanford

Attorney for Carolina Water Service,
Inc. of North Carolina (Emergency
Operator)

c: Parties of Record

CERTIFICATE OF SERVICE

On behalf of **Carolina Water Service, Inc. of North Carolina** (Emergency Operator of Riverbend Estates Water System), I hereby certify that I have served a copy of the foregoing **Update on Status of Dockets** in Docket Nos. W-390, Subs 13 and 14, and Docket No. W-354, Sub 358, on all parties of record in this proceeding, in accordance with North Carolina Utilities Commission Rule R1-39, either by United States mail, first class postage pre-paid; by hand delivery; or by means of electronic delivery upon agreement of the receiving party.

This the 10th day of August 2018.

Electronically Submitted
/s/Jo Anne Sanford
State Bar No. 6831

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