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November 3, 2021

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Re: Application for Certificate of Public Convenience and Necessity for

Pine Mountain Lakes

Docket No.: W-1328, Sub 11

Dear Bill:

Red Bird Water has asked me to respond to your letter of October 29, 2021, regarding the Public Staff's review of the Application for CPCN in this docket, to address the items identified in your letter. On its behalf, I provide the following information and the enclosed Attachment K.

- 1. The amounts shown in Line 19 of the Application were provided by the Pine Mountain Property Owners Association (POA), which is the current owner of the Pine Mountain system. After many discussions with the current owner, the POA has been unable to provide any better information regarding the depreciated value of the Utility and was only able to provide approximate values from the original inception of the system (1974). The estimates were created by the current owner's review of ledgers and estimates from historical files created by employees that have since left the POA. Red Bird felt it was appropriate to provide the best information available to it when submitting the CPCN Application and has no other information to provide regarding Original Cost or Depreciated Values at this time.
 - 2. Please see Attachment K for the referenced maps.

3. All improvements found in Confidential Attachments E and Attachments F are expected to be completed within the first year after acquisition. While the Cash Flow statement accounts for the possibility of some improvements to bleed over into Year 2, Red Bird intends to work towards completing all planned improvements, upgrades, and replacements in Year 1.

Sincerely yours,

BURNS, DAY & PRESNELL, P.A.

aniel C. Higgins

Email: dhiggins@bdppa.com

DCH/krs Enclosure

cc: Chief Clerk

Public Staff - Water and Sewer

Bob Bennick, Counsel for Pine Mountain POA

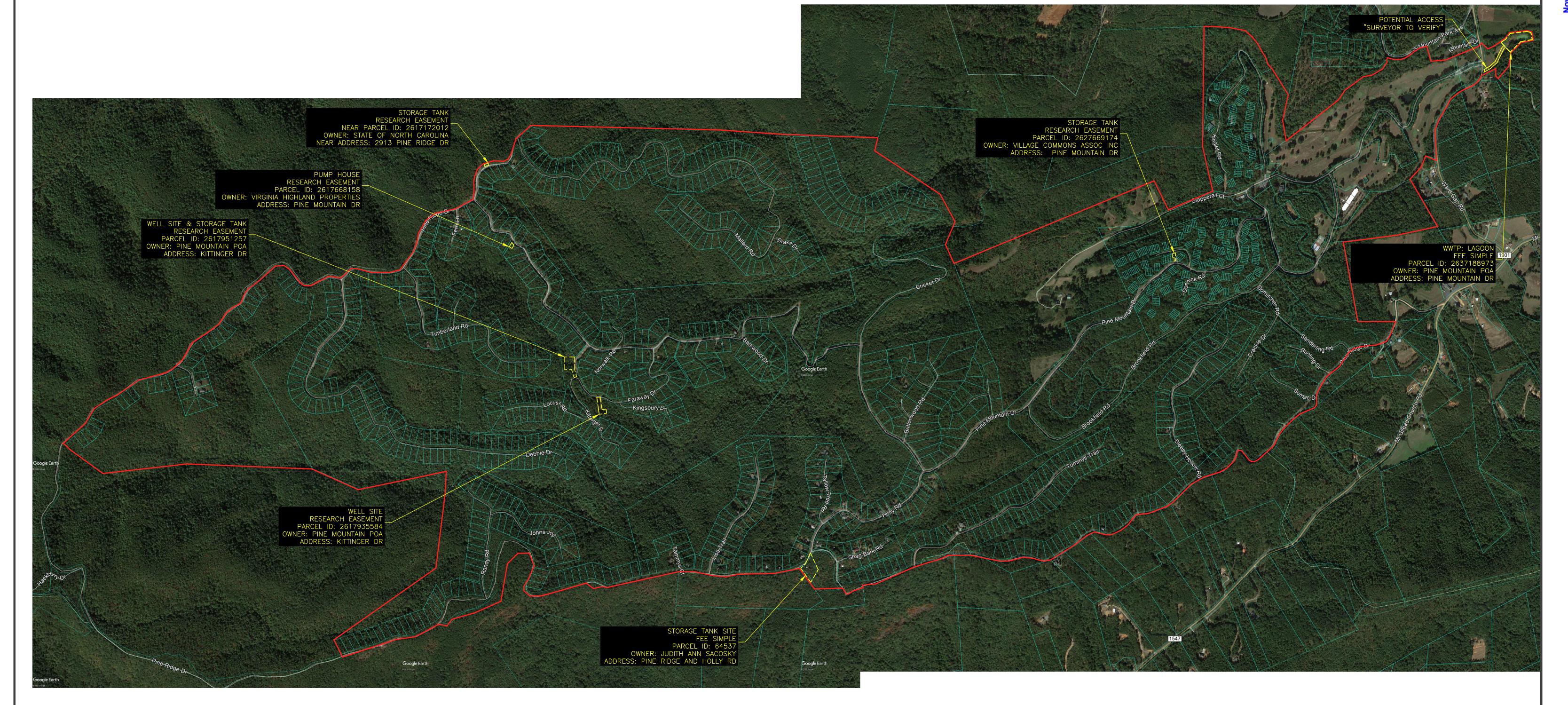
Red Bird Water

ROUGH SERVICE AREA MAP
PINE MOUNTAIN
(WATER & WASTEWATER)
BURKE, NC

Docket No.: W-1328, Sub 11

Attachment K





Utility Note Disclaimer:

The utilities shown hereon are depicted based on the service area provided by the system manager. 21 Design Group, Inc performed no field verification of the layout and are unable to determine the exact location at this time. The location represents approximate location only and should not be construed as being 100% accurate. It is shown to provide general layout of the system only and should not be used to interpret encroachments.

