

SANFORD LAW OFFICE, PLLC

Jo Anne Sanford, Attorney at Law

October 21, 2019

Ms. Kimberley A. Campbell, Chief Clerk
North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699-4325

Via Electronic Filing

Re: Docket No. W-354, Sub 358
Docket Nos. W-390, Subs 13 and 14
Riverbend Estates Water Systems, Inc. - Transfer to CWSNC
Notice of Closing of Transfer of Water System Assets

Dear Ms. Campbell:

I write on behalf of Carolina Water Service, Inc. of North Carolina ("CWSNC") and Riverbend Estates Water Systems, Inc. ("Riverbend" or "REWS") to state on the record that the transfer of the referenced assets was closed on September 19, 2019 and that Riverbend's former utilities holdings are now owned by CWSNC. Additionally, this letter addresses the actions associated with final closure of this longstanding matter.

After closing, CWSNC timely provided the Riverbend customers with the notice required in the Commission's May 16, 2019 Order Approving Transfer ("Order") and then filed a Certificate of Service of Customer Notice with the North Carolina Utilities Commission on October 4, 2019, within the time prescribed by Order. Upon review of the docket, counsel notes that the Order requires notice of the date that the closing actually occurred and respectfully requests that this be received in compliance with that provision of the Order.

To review and address the remaining actions required to close these dockets, CWSNC requests Commission confirmation that, effective September 19, 2019:

- The Public Staff's recommended fines and penalties against REWS (\$84,000 for alleged abandonment and \$33,000 for charging higher

rates without Commission approval) are deemed withdrawn, per provision of the Order at Ordering Paragraph 9;

- The Certificate of Public Convenience and Necessity to provide water utility service granted to REWS is cancelled (per Ordering Paragraph 10);
- The Certificate of Public Convenience and Necessity for providing water service is granted to CWSNC and that CWSNC is discharged as the Emergency Operator (“EO”), pursuant to Ordering Paragraphs 2 and 11;
- The Public Staff shall audit the revenues CWSNC received from customers as EO and all expenses and capital expenditures (including due diligence costs) for the Riverbend Estates Water System during the EO period, from May 16, 2017 through September 17, 2019, and shall file—within 90 days of the closing date of the transfer—a report thereon, reconciling the revenues and expenses. “Such analysis and report shall clearly reflect the Commission-approved reduction in rates effective on March 13, 2018 pursuant to the Commission’s March 13, 2018 Order in the EO Docket.”
Order, Ordering Paragraph 12, p. 10.

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

c: Parties of Record

CERTIFICATE OF SERVICE

On behalf of Carolina Water Service, Inc. of North Carolina, I hereby certify that I have today served a copy of the attached letter, filed in Docket Nos. W-390, Subs 13 and 14, and in 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; hand delivery; or by means of electronic delivery upon agreement of the receiving party.

This the 21st day of October, 2019.

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

SANFORD LAW OFFICE, PLLC
sanford@sanfordlawoffice.com
Tel: 919.210.4900
**Attorney for Carolina Water Service,
Inc. of North Carolina**