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June 14, 2022

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F. KENT BURNS – *RETIRED*

**Filed Electronically**

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

Re: Transfer of Crosby Utilities, Inc. to Red Bird Utility Operating Company, LLC, d/b/a  
Red Bird, Docket Nos.: W-992, Sub 8 and W-1328, Sub 9

Dear Ms. Dunston:

I write to further supplement the Transfer Application pending in these dockets by providing the following additional documents and information:

1. Attached are Certificates of Good Standing issued by the North Carolina Secretary of State establishing that Red Bird Utility Holding Company, LLC (originally known as CSWR-North Carolina Utility Holding Company, LLC); Red Bird Utility Operating Company, LLC (originally known as CSWR – North Carolina Utility Operating Company, LLC); and North Carolina Central States Water Resources, LLC (originally known as CSWR-North Carolina, LLC) are all existing North Carolina limited liability companies in good standing.
2. Also attached is an Explanation of Corporate Structure that details the interrelationship of these entities and how this model has historically been utilized by Central States Water Resources. An updated Corporate Organization Chart is also attached.
3. Attached is the Second Amendment to Agreement for Sale of Utility System (labeled as Attachment G-2), which reflects that Red Bird is the purchaser of the utility assets that are the subject of that Agreement.

4. The enclosed Attachment Q lists the easements to be acquired by Red Bird and contains related statements requested by Public Staff regarding the sufficiency for operation of this system.
5. O&M Contractor Materials. As previously reported to the Commission, Red Bird will employ qualified Operations and Maintenance (O&M) Contractors to operate the systems it acquires in North Carolina, as it does in every other state where Red Bird affiliates operate. As a practical matter, many of the systems Red Bird seeks to acquire are currently operated by contract operators. The attached O&M Qualification and Bidding Process Description explains the multi-step process by which CSWR requests qualification information and references to identify qualified potential O&M Contractors using the attached RFQ Template. The three O&M Contractors in North Carolina that CSWR has identified as qualified to this point are listed in the O&M Qualification and Bidding Process Description. As previously reported in connection with the Bear Den docket, as to the four Ocean Terrace / PKT properties in Pine Knoll Shores which Red Bird acquired in mid-December 2021, Red Bird has received no customer complaints from these properties and no customer service issues have been identified at this time.

Please do not hesitate to contact me if you or the Commission have any questions regarding this filing. Otherwise, we would hope that the Commission will issue an Order setting this matter for hearing in the very near future.

With best regards, we remain

Sincerely yours,

BURNS, DAY & PRESNELL, P.A.



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